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FORUM

Vol. CXIII No. 1

AMERICAN LEADERSHIP (II.)

By ELLEN D. ELLIS

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For domination or democracy?

PREPONDERANCE of power came slowly to the United States, and we were slow to accept its responsibilities. Nor have we yet learned the lesson. From the earliest days of our existence as a nation, we sought to remain aloof from world politics. Relying on our geographic position and refusing, ostrich-like, to face reality, we tried to use our increasing power as a defensive shield against outside involvement. Pronouncements of policy to this effect by the founders of the Republic are well known.

We have been more ready to take a positive hand in Latin America than elsewhere. By a curious turn of the wheel, however, the Monroe Doctrine, designed to protect that region from European influence, became the instrument of United States interference and of United States hegemony over the Southern republics.

Nor is this hegemony made less real by the system of collective security that since 1933 has been gradually replacing our earlier individual intervention. The American Organization of States is still a league of sovereign states, of which the United States is still the strongest sovereign unit. Each member, and therefore the United States, retains ultimate freedom of decision and of action.

When the maneuvering of the powers has eventuated in war, the United States has customarily denied any interest or responsibility in the conflict by declaring neutrality. Enjoyment of our "neutral" status, however, has existed more in the realm of fantasy than of fact. Disregard of our rights as a neutral has more than once drawn us into foreign wars. It was the direct cause of our entry into World War I. After that war, when we might have contributed to world political reconstruction, we again sought isolation and refused to enter the League of Nations.

With the deterioration of politics in Europe after 1930, and the increasing certainty of war, the leaders of our policy-making in Washington embarked on the search for a more complete immunity for the United States than ever before. The "New Neutrality" legislation of 1935 and succeeding years was the outcome of their efforts. We thereby gave up our claim to neutral rights—not in the interest of collective action against aggression, as in an economic boycott, but through rigid restriction of trade and intercourse with aggressors and victims of aggression alike.

Thus we gave the green light to Mussolini and Hitler to proceed with war whenever they should be ready. Thus we further undermined the system of collective security. By denying to countries fighting for human rights the aid of our enormous resources, we strengthened the forces dedicated to suppression. In the tightly knit world of the twentieth century, this inevitably brought war constantly nearer to the United States.

With the outbreak of World War II, realization dawned upon President Roosevelt that, whether used negatively or positively,

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the tremendous wealth and power of the United States plays a definitive role in the current world scene. He therefore demanded repeal of certain parts of the New Neutrality legislation, and he progressively found means to circumvent it. He requested new legislation where he deemed it necessary. "Cash and Carry," the Destroyer—Naval Base Deal, "Lend Lease" are only a few symbols of the active support given to the Allies while we were still technically neutral.

Our political horizon widened with the Atlantic Charter of August, 1941, the United Nations Declaration of January, 1942, and with our participation in establishing the United Nations, and in becoming a member in 1945.

It is important to note, however, that in the United Nations the principle of national sovereignty is rigidly adhered to. What part the United States plays in that organization is still ultimately subject to her sovereign willingness to make her pledges as a member effective. No United Nations agency has power to reach a decision by a democratically representative process, or to take independent, binding action in its own right. The influence wielded by a more powerful member is still generically the same as that wielded through ordinary diplomatic channels. The relationship of the more powerful to the less powerful members is still that of simple preponderance.

The end of World War II brought in its wake the inevitable exhaustion of Europe. It also brought a revival of Russian expansionism, now coupled with the dynamism of a world revolutionary drive. Russian pressure asserted itself in the setting up of puppet governments subservient to Moscow in East and South East Europe. Russia also demanded a joint Russian-Turkish control of the Turkish Straits, and laid claim to the Turkish Black Sea districts of Kars and Ardahan. The Russian radio and press instigated the Turkish people to rebel against their "Fascist" and "reactionary" government. Due to the uncertainty of her situation throughout and following the war, together with her poor roads and communications, Turkey had maintained a semi-wartime army since 1939.

In Greece, meanwhile, guerrilla warfare was being supported by Greece's northern neighbors. In February, 1947, Great Britain, whose "leadership" in Greece had been agreed upon at the Moscow Conference of 1944, announced that she must shortly withdraw her troops and discontinue financial and economic aid.

As a result of this combination of circumstances, on March 12, 1947, President Truman presented to Congress a request for authority to provide "assistance to Greece and Turkey in the amount of $400,000,000," and for the authorization of "the detail of American civilian and military personnel to Greece and Turkey at the request of those countries," to assist with reconstruction, and to instruct and train "selected Greek and Turkish personnel."

The purpose was "to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures." "This is," said the President, "no more than a frank recognition that totalitarian regimes imposed on free peoples by direct or indirect aggression undermine the foundations of international peace, and hence the security of the United States."

This was a clear avowal that peace is indivisible. Yet the United States attempted to meet the crisis unilaterally. The President declared in his message to Congress that the United Nations was not "in a position to extend the kind of help" that was needed in the "urgent" situation, which, he said, required "immediate attention." In many quarters regret was expressed that the attempt was not made to act through the United Nations. Whether, if this had been tried, obstructionist policies on the part of the U.S.S.R. would have effectively blocked the program cannot be certainly known. There was no other, more democratically organized machinery through which we might have acted, and the need was undeniably great. The aid rendered under the "Truman Doctrine" thus became inevitably a symbol of United States wealth and power.

The Turks keenly realized this, even while they were grateful, and rejoiced that the United States understood their predicament and stood ready to help. The Turkish press

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found comfort in reassuring the public that the Truman Doctrine did not mean "control."

Announcement of the Truman Doctrine was followed on June 5, 1947, by Secretary of State Marshall's address at Harvard University. Secretary Marshall emphasized the "economic, social and political deterioration" in Europe as standing in the way of "political stability and assured peace," and as calculated to lead to "disturbances arising . . . [out of] desperation." Again, as had President Truman, he took the position that conditions in Europe were of vital interest to the United States.

It was made plain that the role of the United States in this instance should not be entirely unilateral. It was to be, rather, that of giving "friendly aid in the drafting of a [joint] European program . . . [to be] agreed to by a number of if not all the European nations." Assistance was offered to all European countries willing to cooperate. Any government, on the other hand, attempting to obstruct recovery would meet opposition from the United States.

The initiative in this move for a European program came from the United States. The United States, however, clearly expected and demanded that further initiative should and must come from the European countries themselves. The countries of Western Europe accepted the challenge. Russia and her satellites rejected the plan, on the ground that the somewhat rigid conditions imposed for acceptance — to be carried out under United States inspection and supervision— involved an invasion of the "sovereignty" of the receiving countries. The Marshall Plan was, and still is, branded as a move of American imperialism and a policy of aggression against the Communist world.

Nationalism on the part of the West European states, and the activities of the Communist parties within them presented difficulties. Yet the movement toward economic integration got under way.

In the face of an all-out Russian attempt to undermine the Marshall Plan, by creating economic and political chaos in Europe, steps were taken toward military integration as a defensive measure against expansion. Out of these emerged the Brussels Treaty of 1948.

Although the first initiative toward military integration came from the European countries, the United States encouraged it at every turn. She put upon it the unmistakable stamp of her approval when she herself became a party to the North Atlantic Alliance created by the North Atlantic Treaty of 1949.

The entry of the United States into the Atlantic Treaty of mutual assistance marked a revolution in our foreign policy. It was an open acknowledgment of the extent to which we recognized our welfare and security to be bound up with that of Europe, and a commitment on our part to assist the victim of an armed attack there. The Atlantic Pact is, however, still an agreement between sovereign states, each in the last analysis still free to carry out its commitments or not, as it may see fit. The military aid program voted by Congress to implement the Pact was, also, essentially a unilateral move by the United States to help prepare the signatories to meet their obligations under the treaty.

EUROPEAN UNION

Meanwhile, certain spontaneous movements toward political integration have been taking place in Europe. These have been in part official, in part unofficial.

The most important practical step to date has been the setting up of the Council of Europe, with its two organs, the Committee of Ministers, representing foreign offices, and the Consultative Assembly, composed of "people's delegates." The Council of Europe was intended to be a cultural rather than a military or a political organization. Its existence so far has been marked by a struggle between the Committee of Ministers, which would maintain its character as a league of sovereign states, and the Consultative Assembly which has openly voted in favor of full federation.

The United States has adopted a technically correct attitude toward these political developments. She has been undoubtedly motivated by a desire to recognize the right of sovereign states to determine their own political destiny, and has been strengthened in her position by an unwillingness to appear

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to follow the example of political interference set by the U.S.S.R.

The United States has at the same time clearly given the movement toward political integration her general sympathetic encouragement. More tangibly, there is on record the Fulbright Congressional Resolution of March, 1947, in which it is declared that "Congress favors the creation of a United States of Europe within the framework of the United Nations."

Within the various movements for West European integration — economic, military, and political—major difficulties have appeared. These are in part ideological, in part historical, and in part more directly political. Economic integration has been retarded because it has been difficult for the states of Europe to adopt and implement a broader-than-national point of view. National planning and national interests instinctively assert themselves. Political nationalism also tends to play a determining role. Economic integration has not moved as fast as the State Department fears Congress may think necessary when the moment for renewal of aid arrives.

To these difficulties are added the relationships that have historically existed among European states—French fear of Germany being a notable example. And, finally, there are the political realities of the present: the dual position of the United Kingdom as a member of the Commonwealth and of Europe; the continuing fear on the part of the French of an economically strong and/or a remilitarized Germany; the larger problem of the relation of Germany to Europe; and the East-West rift. And, overshadowing all, there is the as yet undefined relationship of the United States to the movement of European integration as a whole.

All of these problems are in fact of quite as vital concern to the United States as to the European countries. Yet the United States has not integrally identified herself with one of them. In the economic sphere we have restricted our activity to initiating and encouraging the integration of Western Europe as a precondition to our assistance, with the more recent addition of warnings and threats. In the area of political integration, we have officially kept hands off. Only in the military sphere have we adopted a participating role. Even here, however, our role is that of sovereign state in relation to other sovereign states.

The obstacles to adequate economic integration in Europe would assume very different character and proportions if the counterweight of the United States should become a factor in such integration. So long as the United States remains economically aloof from the process of integration, the same obstacles now presenting themselves would operate between an integrated Europe and the United States, to the detriment of both, however close European integration might be.

INTEGRATION

If, further, the American people should join hands with the West Europeans in some sort of political federation, the difficulties of the United Kingdom's dual "responsibility" would move far in the direction of solution. Again, the counterweight of the United States would change the fundamental pattern. For the same reason, a renascent Germany shorn of sovereignty as a member of such an expanded federation, would cease to be an object of apprehension and terror. Such a federal organization would, obviously, also eliminate the weaknesses in the system created by the North Atlantic Pact as an alliance of sovereign states.

The preponderant power of the United States will continue in the foreseeable future to exert its due influence over European Affairs. If, without an over-all democratic organization and procedure such as federation would afford, we continue to play a directing role in the European scene, a relation of dependency must inevitably exist between the European peoples and ourselves.

To that extent, whatever our motives, we expose ourselves to the charge of imperialism. This "imperialism," however, would be politically and, therefore, militarily less effectively organized than the system which has its center in Moscow. It might well prove the weaker in an encounter with that system. Indeed, the existence of the *genuinely* imperialist Soviet system is in one sense the strongest argument for an equally strong, or stronger, democratic federal organization in the West.

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There is growing awareness that the close ties of interest and responsibility binding the United States and Europe call for a subjective rather than an objective approach to the European problem by the United States. This is evident in recent statements by close observers of the current world situation. "In short," writes James Reston, of *The New York Times,* "the things that unite the United States, Britain, and France are stronger than the things that divide them." Henry Hurd, of the *Christian Science Monitor,* declares, "The fact is that Europe and America are married." And Joseph and Stewart Alsop write in *The New York Herald Tribune,* ". . . the question of rearming Germany is only a part of the larger question of defending the Western world as a whole—including the United States."

Lester B. Pearson, Canada's Minister for External Affairs, stated in a recent review of the world situation: "What we must do now, I suggest, is to take as many steps as possible toward the widest possible economic collaboration between the North Atlantic nations." And Sir Oliver Franks, British Ambassador at Washington, thus recently described as he sees it, the "emerging picture of economic development." He declared, according to the *Manchester Guardian Weekly,* that the present economic problems of Europe "could not be solved alone by Europe . . . [nor] subsidized by the United States," but that "only the whole democratic world can deal with . . . [them] and solve . . . [them]."

In their widest implications these statements go far in the direction suggested in this article. Human experience has shown that the economic and military cooperation of sovereign states—however definite their commitments—has been precarious at best. History is strewn with broken treaties and forgotten alliances.

Only by effective political organization have order and stability ever been achieved among men. The effectiveness of political organization depends upon the presence within it of power to make the dominant will prevail, which power is known as sovereignty. Possession of such power necessarily precludes the existence within the organization of separate units each claiming to be sovereign. Order and stability, however, are not enough. The Western world demands justice—spiritual and intellectual, economic and social, as well as political, for the individual. And history has demonstrated that for the achievement of these values political organization must be democratically conceived and built.

It can be argued, therefore, that having embarked upon a program of securing order and justice, at least in the Western world, the United States is logically committed to some form of effective political organization in this area. Since such organization would almost inevitably take on the form of a democratic federation, the program of the Committee for North Atlantic Union takes on great significance in this connection.

It would appear that only by action to this end can the hegemony of the United States become democratic, and the people of the United States assume their appropriate role of leadership in the advance toward a democratic world.

People of a village near Munich would give a lot for dogs that don't bark back. Reason: The night watchman, employed by the Council, can "bark" so much like a dog that even the dogs are deceived. Every night he patrols the streets yelping. When a dog answers, he checks the house number on a list. People who haven't got a dog license get the bill the next morning.—*News Chronicle* (London)

A British officer was arguing with an American officer as to which Army had the better discipline. As the American was talking one of his men came in. "Captain," said the private, "can I have your jeep tonight? I've got to take out a dame."

"Sure," replied the officer. Then, turning to the Briton, he said: "There's a proof of our discipline. He needn't have asked me!"—*Hindu* (Madras, India)

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MASTERS OF EUROPE:
Germans or Slavs? (I.)

Ancient rivalries

By FREDERICK H. CRAMER

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I.

MORE than a century ago at the peak of Metternich's power, the writing on the wall said: "There is a spectre which haunts Europe. Its name is communism." Today the spectre of Communism not only haunts Europe but Asia, Africa, and South America as well.

In Europe it rides herd over 250 million people and harrows the other 325 million west of the Iron Curtain. Not counting England and Germany (nor Yugoslavia for that matter), there are only about 150 million Europeans left to face the Communist bloc today. These people are thinly spread from beyond the Arctic Circle in northern Norway to the southern promontories of Spain, Sicily, and Greece. Their organization and administration is divided among a dozen governments (Norway, Sweden, Denmark, Holland, Luxembourg, Belgium, Switzerland, France, Italy, Spain, Greece, and Austria). Their industries, armies, and policies remain pitifully aloof from each other in the name of the fetish of national sovereignty. Feeble attempts at some measure of economic and political integration are being made, it is true, under American pressure.

Meanwhile the German people are stirring. There are 70 million of them. The Saar coal area has been annexed by the French; the Upper Silesian industrial center, by the Poles; but in Saxony and in the Ruhr two towering pillars of German industrial strength are being rebuilt. They are well able to repower the potentially formidable German core of Europe. The Saxon pillar arises from its ashes with Soviet blessing; the one in the Ruhr Valley, under the benign aegis of American "leadership."

Thus after 1100 years the pendulum of German-Slavic relations has completed a full swing. Slavic Russia, bolstered by her Slav satellites, Poland and Czechoslovakia, rules through the newly established puppet regime, Eastern Germany. Malicious jokesters call it "Pieckestan," after Wilhelm Pieck (nicknamed William III), present German boss of "red" Germany. Russia also stretches her tentacles beyond her own zone deep into the pseudo-democratic German puppet state of our own making, the Western Federal Republic. Russian troops still stand along the rivers Elbe, Saale, and even beyond. Their eventual withdrawal will not change the fact that Slav control is now being exercised over approximately the same central European territory as it was in the days of Charlemagne (768-814).

In the millennium which has elapsed since Charlemagne, German-Slav relations have largely been determined by persistent German attempts to exploit a transitory cultural superiority. In bringing civilization (including Christianity) to the Slavs, the German missionary only too often was followed, if not accompanied, by a Germany army and in turn by German settlers, knights, artisans, and peasants. The Russians, Serbs, and Bulgarians were spared. Enfeebled Constantinople gave them Christianity and a modest modicum of Byzantine culture but was not able to extend its political ambitions beyond its immediate neighbors, the Bulgars and Serbs. Except for a brief medieval interlude,

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Slavic Russia was free from either German or Byzantine military pressure. Left to their own devices, the Russians succumbed in 1237 to the Tartars whose vassals they were to be for centuries. German, Byzantine, Tartar, of these three the German unquestionably has been the one most deeply and lastingly involved in the history and the fate of the non-Russian Slav peoples of northern Europe.

The interpenetration of German and Slav exercised so profound an influence, not only upon the history of central and eastern Europe, but also at least indirectly upon the western nations themselves that for an understanding of present-day conditions in Europe a historical evaluation of German-Slav relations is necessary.

II.

Three racial groups have exercised a controlling influence over non-Mediterranean Europe: Celtic, Germanic, and Slavic tribes. The Germanic tribes, restrained for a number of centuries from making inroads into Celtic or Roman areas, occupied a vast area outside the Roman Empire. From northern Scandinavia across today's Baltic States, Poland, and European Russia as far as the Crimean peninsula, and from the Black Sea to the Rhine, numerous Germanic tribes, loosely organized and backward culturally, began the slow and painful transition from a nomadic to a more settled form of life. They might have continued this leisurely progress indefinitely had not the Chinese Empire decided to rid itself from a warlike and troublesome neighbor: the kingdom of the Huns.

Defeating these Mongol cousins after protracted warfare, the Chinese drove the luckless Huns before them. From eastern and central Siberia they were shunted along the northern border of the Chinese Empire until harassed and desperate, they vanished westward and were lost to the sight of Chinese historians. At that very moment, they appeared on the eastern borders of Europe. With the pent-up despair of men who can but do or die, they hurled themselves upon the easternmost Germans, the Ostrogoth kingdom in what is today the Ukraine. At the time, both Ostrogoths and Visigoths were lords of a smallish indigenous population: the Slavs.

From their earliest known home on the upper reaches of the Dniester north of the Carpathian mountains, the Slavs seem to have gradually spread into the vast and empty spaces of central Russia and Poland, reaching the Baltic coast in the first century A.D. Pliny (d. 79 A.D.), Tacitus (ca. 100 A.D.), and somewhat later Ptolemy (c. 150 A.D.) were the first to mention the Slavs calling them by the Germanic term *Wenden* (*Veneti* and *Venedi*). It may be that the pre-Christian westward drift of many Germanic tribes at the expense of the Celts had gradually vacated much of the territory between the Baltic and the Carpathian foothills. When Julius Caesar stopped Ariovistus and his German warriors along the Rhine in 58 B.C., a number of Germanic tribes seem to have recoiled eastward, among them the Goths. In the second century, A.D. some of them were installed as masters over the Slav homeland, especially the Goths, as the usually reliable Ptolemy indicated.

Historically, therefore, German-Slav relations can be traced back to the second century A.D., and significantly enough they begin with the Germans lording it over the Slavs. This was still the case when the Huns appeared on the horizon of eastern Europe in 373. It has been suggested that the amazingly rapid collapse of Ostrogoth power in 375 was due to the Slavs' serfs making common cause with the conquering Huns. But to this day words for *king, loaf, earring, house, penny* in Slavonic attest a substantial linguistic Gothic legacy. Needless to say, the success of the Huns in ousting the Ostrogoths meant for the Slavs merely a change of masters.

Meanwhile the homeless Ostrogoths recoiled upon their neighbors, the Visigoths, who in turn fled for protection into the Roman Empire. Thus started in 377 the so-called "Germanic migrations," i.e., that phase of them which finally destroyed the western Roman Empire. By 500 Anglo-Saxon chiefs controlled two-thirds of England. Clovis the Merovingian was building a Frankish empire out of the debris of Roman power in Gaul. The Visigoths were safely entrenched in Spain, and the Vandals in North Africa

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and on the islands of the western Mediterranean. The Ostrogoths ruled Italy, plus the Riviera and Croatia. Other Germanic tribes, too, had given ground and moved westward before the pressure of the Huns without, however, actually penetrating into former Roman territory. The Hunnish hurricane thus created an enormous vacuum in central and eastern Europe, a wide no man's land waiting for new settlers to come.

Towards the end of the fifth century, the impetus of the Huns began to fade. The storm abated and quiet settled upon the deserted spaces of eastern Europe. For the first time in centuries the Slavs now found themselves free to infiltrate into the vast wilderness north of their ancient homeland. There were no Germans or Huns to stop them. Those Germans who had once lived there were now spread over the far-flung territories of the defunct western empire. Justinian I (527-565) annihilated the Vandals and Ostrogoths. Intermarriage rapidly merged Visigoths and Burgundians with their latinized subjects.

The Frankish kingdom alone continued to retain its Germanic identity for a longer time under the sluggish successors of its great founder Clovis. This resistance to the romanization process was largely due to a fateful deviation from standard policy which Clovis had begun and which his successors had inherited from him. Finding himself confronted with too firm a resistance to his expansionist aims on the part of his Visigoth, Burgundian, and Ostrogoth neighbors, Clovis had turned against the Germanic tribes of southern and central Germany. He himself overcame the warlike Alamanni in southewestern Germany, and his successors followed up by annexing more and more German territory, until Bavaria, Franconia, and Thuringia became parts of the Frankish Empire. The Saxons in northern Germany alone still held out against the Franks as late as the eighth century. Recalcitrant pagans and indomitable warriors, they had preserved a precarious independence.

Meanwhile, a fateful change had come to pass beyond the eastern border of the Frankish Empire in the 250 years which elapsed from the days of Clovis to the deposition of his last feeble heir in 751. Slow migrations of Slavs had filled up the vast void left by the Germanic migrations. From southern Holstein along the Elbe, their westernmost tribes held a line which crossed the Elbe perhaps near Magdeburg or somewhat to the south and thence ran roughly along the Saale River into the Thuringian woods. All of Bohemia and Moravia, long since evacuated by the Germans, was theirs and a tenuous land-bridge between Hungary and Bavaria linked them with the Slovenes and Croats on the shores of the Adriatic. Slav tribes also had penetrated deeply into Greece, while Serbs and Bulgars had established themselves in the center of the Balkan peninsula. The wide plains of Poland and European Russia had also become Slav domains. First cousins of the Slavs, especially the Prussians, Lithuanians, Lets, and Esths held the Baltic coast between the Vistula and the Neva. West of the Vistula the Slavs of Pomerania and Mecklenburg as far as Holstein had taken over the remainder of the southern shores of the Baltic. All inland territory between the Vistula and the Elbe belonged to Slavs.

Indeed, anyone who looked at the map of Europe in 751 was bound to come to the conclusion that the Germanic element, once seemingly headed for control at least of the non-Mediterranean part of the continent, was rapidly being reduced to a secondary position, little bettter than that of the Celts of old. Apart from Anglo-Saxon England, only the sparsely settled Scandinavian peninsula and the narrow strip of land between the Elbe and Saale in the east and the Vosges mountains and the Meuse River in the west were still Germanic territory. The Germanic migrations had thus terminated in a "racial disaster," second only to that of the Celts in the annals of European history.

Culturally, however, the surviving Germanic groups in central Europe had at least benefitted from their unification under the Frank to the extent of receiving along with Christianity a modicum of Mediterranean civilization. When Charlemagne mounted the throne in 768, he ruled over a solidly Christian, but racially divided empire, composed of "Latin" Gaul in the west and Germany (except Saxony) in the east. Beyond his German realm was the Slav world, still pagan and understandably backward both technologically

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and politically. Occasionally an enterprising German managed to establish a somewhat more solid political structure, as did the Frankish merchant Samo (d. 658) in Bohemia. By and large, political cohesion between the Slavic tribes was more than feeble, and this at a time when the resources of Germany and France (plus those of northern Italy) were at the command of the greatest figure the Germanic world had produced so far.

To channel the energies of his realm into the most useful directions was part of the genius of Charlemagne. It can hardly be said that he dreamed of limitless conquests. On the contrary: his objectives were strictly confined to the protection of the core of his empire against raids from the outside. In pursuit of this policy, he annexed the Spanish March, to guard France against Arabic inroads from Spain. To pacify Italy he took over the Lombard kingdom. To remove the Saxon irritant, he fought a 30-years' war terminated by the surrender and Christianization of the stubborn Saxons. Thus Charlemagne completed the first unification of Germany.

His policy towards the Slavs was animated by the same motive. Slav raids had been a constant nuisance along the far-flung eastern frontiers. To bring the Slav neighbors to reason, no major wars were needed. Voluntarily for the most part they came to recognize the power of the great Frank and, paying tribute, behaved more peacefully. A wide buffer area of tribute-paying Slav tribes along the eastern border of his empire assured Charlemagne that his political aims were achieved. Yet, subtly the atmosphere had begun to change. Germanic pressure was building up soon to be released in an attempt at eastward expansion at the expense of the Slavs.

III.

From the eighth to the thirteenth century, the Balkan Slavs—Croats, Serbs, and Bulgars in particular—were largely unaffected by German developments and may therefore be omitted from consideration. The Russians, except for the abortive German invasion of 1242, had no major experience with German expansionism. The large and heterogeneous mass of Slavs, however, hemmed in by Hungary and eventually Austria in the south, Russia in the east, the Baltic sea in the north, and the German territories in the west became in those five centuries the target of the most intensive *Drang nach Osten* in the annals of German history. Poorly organized, culturally backward, and pagan to boot, these Slav tribes were fully exposed to German missionaries German merchants, and German armies. The lack of effective organization in Germany itself was more than offset by the even greater lack of organized activity among the Slavs of central Europe.

The German offensive developed two methods of attack, one by *pénétration pacifique,* i.e., Christianization, "voluntary" Slav acceptance of the tie of vassalage, and encouragement of German immigration, the other by military subjugation, forcible Christianization, and total subservience to the new German masters. From the Elbe to the Neva these two tactics were successively applied and led, in the five centuries from Charlemagne to Frederick II, to the establishment of outright German control from the mouth of the Vistula to that of the Neva and the marches of Saxony and Thuringia (modern Brandenburg and Saxony). Elsewhere Slav rulers managed to climb on the German bandwagon in time to preserve for themselves and their people a fair measure of local independence. Yet even thus they were unable in the long run to stem the Germanization of their states. In this category we find for instance the dukes of Pomerania and Silesia and—at least until 1278—the rulers of Bohemia to mention only the most important Slav states in the medieval Holy Roman Empire. Poland, which in the tenth century became Christian and a German vassal state, was the only one of this group to escape in the eleventh from the fateful state of vassalage.

Since it occupied a special position in the history of German-Slav relations in the Middle Ages, Bohemia may receive our first attention. As early as 791 a German army group marched across southern Bohemia after a campaign against the (Asiatic) tribe of the Avars. Charlemagne seems to have become interested in Bohemia as a potential buffer

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territory against the Avars, but the Czechs offered stiff resistance to an attempt made in 805 by his son Charles to annex at least part of Bohemia. When the Frankish Empire was divided among his grandsons in the Treaty of Verdun (843), the newly born kingdom of Germany fell heir to these aspirations. Its first ruler Louis the German, however, ran afoul of the then flourishing Slav power of Moravia.

An invasion mounted by Louis came to grief in 846. Rebuffed militarily, Germany soon achieved what amounted to the driving in of a powerful wedge by the Christianization of Bohemia and Moravia. After some struggle over whether Byzantine or German missionaries should receive the souls of the Slavs to be converted, Roman Catholicism, represented by the German emissaries, won out. From Hungary soon afterwards came the Magyars to conquer not only Croatia but Slovakia as well, territories which they were able to hold until the twentieth century.

In the collapse of Moravian power, Bohemia broke away from its Moravian affiliation and sought German protection against the mounting Magyar pressure. In 895 the Carolingian Arnulf, king of Germany, was recognized as overlord by the Slav aristocracy of Bohemia. From that moment until the present, the history of Bohemia became a long drawn-out account of German-Slav rivalry, muted in a few happy periods, violently revived in others.

It still took a long time, however, until Christianity became sufficiently established in Bohemia to warrant the formal creation of an episcopal diocese at Prague, a step not undertaken until 973. The Bohemians, however, had little cause to regret their political attachment to the German king. For the victory of Otto I of Saxony over the Magyars in the battle of the Lech (955) not only meant the elimination of the Magyar menace from German affairs, but also contributed to the escape of Bohemia from the fate which had overtaken the Slovaks: serfdom under Magyar rule. In the tenth century the ascendancy of the Czechs among their fellow-Slavs in Bohemia became increasingly marked. The German overlord proved a far less exacting one than the Magyar over the Slavs to the south.

For a moment it seemed as though the rising power of recently Christianized Poland might prove strong enough to form a central-European Slav bloc. Otto III (d. 1002) had recognized Poland's claim to a separate ecclesiastical administration whose new center, the archbishopric of Gnesen, served as a rallying point in the Polish struggle for independence from the Holy Roman Empire. After the death of Otto III, Boleslav Chrobry of Poland even gained temporary control not only over Moravia and Bohemia, but even over Slovakia. Indeed, not until the sixteenth century did the scales tip in favor of German control of Bohemia after repeated Polish attempts to include the Bohemian Slavs in all the Polish "empire."

The first Polish attempt to compete with the Germans was short-lived, at least so far as Bohemia was concerned. After two years, Henry II of Germany ousted Boleslav Chrobry, the result being an intensification of the German hold over Bohemia. The inevitable anti-German reaction in Bohemia, led by Bretislav I (1034-1055), produced a series of German invasions. It availed Bretislav little to repulse Henry III (d. 1056) in 1040. Nor did it help him much to have gained control of Silesia and Moravia. In 1041 Henry III triumphed decisively. Bretislav I had to recognize the imperial overlordship, pay tribute, and even agree to the extension of German overlordship over Silesia and Moravia.

The fluent, not to say chaotic, political conditions of the Slavs in central Europe greatly aided the German effort of winning vassals without protracted and sanguinary warfare. The duke of Bohemia who succeeded Bretislav also inherited the Bohemian ascendancy over Poland. On the other hand, he aided Henry IV of Germany (1056-1106) so effectively in the protracted struggle against Pope Gregory VII that the German emperor in 1086 rewarded him with the title of king of Bohemia and Poland, stipulating, however, that this should not become hereditary. Not until 1158 was this to be achieved. Frederick Barbarossa rewarded the Bohemian duke in this manner for the active support which he had given

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him in his efforts to suppress the north Italian city rebellions.

The increasingly closer contact between Bohemians and Germans was also strikingly emhapsized by the active encouragement given to German artisans to settle in Bohemia. In 1170, for instance, a Bohemian edict granted local German merchants and others the right to "live according to the German law and justice which they have enjoyed from the time of King Vladislav." From about 1100 on, the steady influx of Germans into Bohemia was a matter of policy for its Slav rulers. Important grants and other concessions were being made by the Bohemian rulers to attract a steadily increasing number of German settlers. The height of relative independence from German control was reached by Bohemia, when the great fight to the finish began between the Popes and the Hohenstaufen rulers. The collapse of the central government of Germany by 1250 resulted in and made Bohemia, for all practical purposes, a sovereign state.

Ottokar I (1253-1278), the most powerful figure of medieval Bohemia, extended his campaigns from the Baltic to the Adriatic. By marriage and conquest he gained a realm which included Austria and the Alpine lands to the south as far as the Adriatic. Thus he emerged as the "strong man" of Europe. His very candidacy for the German crown might have been successful had not the other princes of the empire feared his might and elected the apparently insignificant Rudolph of Hapsburg instead (1273). At that moment the fate of Bohemia was sealed.

In the meantime a similar *pénétration pacifique* had led to even more spectacular results in the Germanization of the duchies of Silesia and Pomerania. Silesia, wedged in between Bohemia and Poland, was formed by the fertile valley of the upper and middle Oder River. Control over it changed hands repeatedly between Bohemian and Polish rulers. Finally, however, internal Polish dissension offered Frederick Barbarossa the long awaited opportunity. Two rebel Polish princes each received one half of Silesia in 1163, and the influx of German settlers began on an ever-increasing scale. Without any violence, the Germanization of Silesia progressed so rapidly that by 1250 it had become perhaps the most thoroughly Germanized Slavic territory within the Holy Roman Empire.

In those days the duke of Silesia for a moment became a key figure in the history of Europe. In 1241 the Tartars, having conquered Russia a few years before, overran Poland and invaded the Holy Roman Empire. From the Pacific coast to the Oder valley, they had established an empire unparalleled in the annals of history until the ascendancy of Soviet Russia over China in our own days. The duke of Silesia and his local levies alone then stood between them and the Atlantic. In 1241 they met the invader near Liegnitz and were duly annihilated. Yet so impressed were the victorious Asiatics by this desperate resistance that they postponed further conquests in central Europe for the time being, and—as it turned out—never again resumed their attack on central Europe. In this instance German-Slav heroism jointly achieved signal merit in the common defence of Europe against Asia.

Less spectacular was the Christianization and Germanization of Pomerania which got underway in the twelfth century. There, too, the German did not bring to bear any military force. The missionary and the German settler achieved a peaceful conquest which eventually in 1637 at the death of the childless Slav duke led to the union between Pomerania and Brandenburg under Hohenzollern rule.

It would be totally misleading, however, to assume that the relations between German and Slav in the early Middle Ages were always of such a relatively gentle nature. German military might, such as it was from the tenth to the thirteenth century, was used with considerable effect in subduing direct Slavic resistance to the *Drang nach Osten*. Between 899 and 934 most of the land between the Saale and the Elbe as far east as the lower Oder valley was conquered in a series of campaigns in which the Saxon rulers took the lead. In the reign of Henry the Fowler (919-936) Brennabor, renamed Brandenburg, was conquered. It became the center of a new bishopric in the reign of Otto I, Henry's successor (936-973).

The ferocity of these wars has often and rightly been criticized. It would, however,

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be erroneous to attribute it to any special anti-Slav bias on the part of the Germans. The murderous methods employed, involving massacres of entire populations, are strongly reminiscent of the practices en vogue in Charlemagne's wars against the Germanic but pagan Saxons. A mixture of religious fervor and the belief in real or imagined cultural superiority has always inspired the wholesale slaughter of conquered "subhumans," whether they were pagan Saxons, Slavs, Mexican or Peruvian Indians, or anti-Nazi "scum of the earth."

It could not be expected that the defeated Slavs between the Elbe and the Oder would quietly accept the new German-Christian yoke. As late as 983 Hamburg was razed by them, and churches were destroyed in a number of recently established German strongholds, including Brandenburg and Havelberg. A century later another rebellion again contested German ascendancy in these areas. Not until the end of the twelfth century was German control established on a durable basis. Thereafter, the Germanization of Mecklenburg and Brandenburg proceeded. It was so successful that even today there has been no question of leaving these territories in German hands. A cynic might be tempted to conclude: what the Germans took by the sword they have been able to keep even after 1945; what they gained by peaceful means they were destined to lose.

Yet, such reasoning fails to take into account what was perhaps the strangest story of German expansion prior to 1250: the conquest of the Baltic coast from the Vistula to the Neva. It was the result of crusading campaigns launched by Germans against the last pagan tribes in northern Europe, the Prussians, Lithuanians, Lets, and Esths. Between 1200 and 1250 Albert of Bremen, third bishop of Livonia, created a northern ecclesiastical state in Livonia and by force of arms opened this area to a considerable influx of German settlers. Cities like Riga, Dorpat (Talinn), Libau and many others, attest the city-building proclivites of the newcomers. Christianity, Germanization, and civilization seemed once more to go hand in hand. Yet, the conquering German did not succeed in winning over his subjects. Perhaps not enough Germans came, perhaps the gulf between them and their serfs was too great. At any rate, the Germanic element in these territories remained until the twentieth century the leading stratum, socially, economically, politically. And, incidentally, a Livonian attempt to expand German power into Russia, failed dismally in 1242.

In the wake of the fighting bishop came the Teutonic knights of St. Mary. Out of a job since the fall of Jerusalem in 1187, these scions of the German nobility accepted a call for help, emanating from none other than the Slav king of Poland, who invited them to Christianize (and conquer) the bothersome Prussians. By the end of the thirteenth century this task was finally accomplished in the usual sanguinary manner and the grandmaster of the order established his new headquarters in Marienburg in the lower Vistula valley (1291). In both ecclesiastical states (Livonia and Prussia), it should be noted that the subjugated were not Slavs, although according to a number of authorities they were definitely related to the main group of Slavs.

In the thirteenth century the eastward expansion of German strength thus reached its zenith. It had succeeded in bringing Christianity and the roots of higher civilization to all Slavs west of Russia. It had almost solidly Germanized the area between the Oder and the Elbe and was apparently well on the way to Germanizing the entire southern coast of the Baltic. The German element in Poland and Bohemia also was steadily increasing. It seemed possible or even probable that Slavs between Russia and the Elbe would soon be as completely submerged as had been the Celts of Gaul.

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Total war and the
D.P.'S

THE NEW MIGRATION

By H. F. STRONGIN, M.D.
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THE Constitution conferred upon Congress the power to control immigration of aliens. After that authority was granted, immigration from the Old World became a factor of constantly increasing importance.

The first great impetus given to immigration to America began with the Industrial Revolution, in the mid-nineteenth century, when more than five million aliens reached American ports. With an initial arrival of a little over eight thousand in 1820, the number increased progressively to over four hundred thousand in 1854. These were primarily laborers encouraged by employers who sought to increase the labor supply in order to keep wages down and profits up. Steamship companies and ticket agencies also encouraged immigrants to stimulate the transportation business.

In the order of their numerical and economic importance, the immigrants ranged from a majority of laborers, farmers, mechanics, merchants, miners, and textile workers down through the other skilled labor and professional groups. They came from more than twenty countries to supply America's needs for industrial expansion. To the original population which was mainly British in origin, they added diverse national strains, customs, and languages. By far the largest group came from the United Kingdom, 2,750,000, with the majority coming from Ireland, which sent 967,000. Germany supplied 1,486,000; France, 208,000. Other groups came from Prussia, Spain, Poland, Sweden, Norway, Mexico, China, and Latin America.

At the end of the nineteenth century, Samuel Gompers warned that the unbridled flood of immigrants was threatening to "submerge standards of life and work that we had established . . . the American people in their generosity wished to maintain the United States as an open free asylum to the oppressed of the whole world, yet we realize also that the United States could not solve all the problems of the world and that the struggle for human freedom and advancement would largely have to be worked out by each country for itself."

One hundred years after the launching of the American Republic, our view of immigration changed. The millions who had for various reasons come to our shores, aided by unimpeded immigration or legal restrictions, found that the immense domain of Western free-land grants and resources were no longer freely available for individual development.

Along with the healthy, vigorous, talented, educated, and pioneering stock, many undesirables also came. This tide of humanity was given further impetus by European governments anxious to unload political agitators and reformers.

The progressive migratory movement from 1820 to 1910 shows on an average annual basis, admissions of over 172,000 in comparison with the 16,836 who were admitted during the year ending June 30, 1948. For the decade 1901-1910, the annual admission rate ran on an average to about 800,000 as compared with 309,556 (1921-1922) after controls began to operate, and with 16,836 for the year ending June 30, 1948. This shows the precipitous decline in immigration. Some influence was exerted by the Displaced Persons Act of 1948, under which the United States agreed to accept 205,000 refugees spon-

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sored by individuals or voluntary agencies before June 30, 1950.

The pattern of settlement remains to a great extent, unchanged. Many are bound to labor by contract. Of these, there are numerous who are deluded by a "Promised Land" judging from letters received by relatives still in Europe. This dissatisfaction may easily add to discontent and radical agitation, particularly so if there is an increase in unemployment.

In the past, desultory legislation appeared to limit uncontrolled immigration. In 1875 and 1882 active measures were enacted to limit the unbridled flow of immigrants who might become public charges. Immigration control was further fortified by the "Undesirable Alien Deportation Act" of 1888 and by more vigorous exclusion in 1891; by the Literacy Test of 1917, and thereafter from time to time (1921, 1924) by other restrictions.

In 1920 Dr. Fridtjf Nansen recognized the need of protection of refugees, and aided by the League of Nations, devised a scheme to help them. The "Nansen Passport" helped displaced Turks and Russians who fled after the 1917 Revolution. Thereafter, thousands of refugees during the Nazi ascendancy fled persecution and received some escape-aid from the League of Nations. In conjunction (after 1938) with the Inter-Governmental Committee on Refugees, the League further implemented such aid.

TOTAL WAR

Total war, on three continents, such as we have witnessed in World War II, has dislodged human beings in unprecedented numbers. It shifted them to foreign areas, blasted their hopes for a better world, destroyed their lifetime accumulation of material gains. The scorched-earth policy of ruthless war-making impoverished great numbers.

Warfare over such an extensive area has left demoralized refugees scattered helter-skelter in numbers unheard of since the dawn of history. Their erratic movement was further aggravated by German brutality, which used such civilians in forced labor camps. Their nefarious activities with which they hoped to rule the world for a thousand years depended in part on this labor. As a result, whole populations numbering millions of innocent noncombatants were shunted on foot, by truck, and by cattle trains across frontiers, from concentration camp to concentration camp, to provide slave labor in factories, mines, and German farms.

The refugee problem was attacked first by religious organizations aided by the League of Nations and later by the Inter-Governmental Committee on Refugees (I.G.C.R.), the United Nations Relief and Rehabilitation Administration (U.N.R.R.A.), and the International Refugee Organization (I.R.O.). Before I.R.O. could get under way, its functions were assumed by a Preparatory Commission (P.C.R.O.) on July 1, 1947. I.R.O., as a duly constituted body, began operating August 20, 1948, assuming responsibility for about 1,600,000 refugees. These refugees constituted a backlog of accumulated human misery beginning with the Russian revolution in 1917. Religious and racial persecution added to the problem. Of this whole group, over 500,000 are pre-war refugees, numbering among them Russians, Armenians, Spanish Republicans (political refugees), and German Jews. The rest are sufferers of World War II in Austria and Germany, numbering some 636,000 as registered on June 30, 1948. Smaller groups exist in Belgium, Italy, France, the Netherlands, and in the Middle-East.

Of a monthly average of 662,998 refugees receiving I.R.O. assistance, excluding those in transit, as of March 31, 1949, there were: Roman Catholic, 255,028; Greek Catholic, 43,813; Greek Orthodox, 94,491; Protestant, 87,674; Jewish, 88,844; Other, 8,398; No Religion, 2,179; Not Reported, 82,571. Of this number there remains, as of March, 1949, 448,715 in: Austria, 31,926 (In the United States Zone, 19,944); Belgium, 1,375; Czechoslovakia, 16; Denmark, 2,808; Far East, 9,506; France, 19,563; Germany, 392,564 (United States Zone, 223,112; British Zone, 137,858); Italy, 19,411; Luxembourg, 66; Middle East, 5,763; Netherlands, 150; Portugal, 201; and Spain, 376.

Refugees and displaced persons are re-established in three ways:

(1) They can return to the countries of their origin;

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(2) They may try to become integrated in countries of refuge in Central Europe, "re-establishment in place;"
(3) They may be resettled in countries willing to accept them.

The Department of Repatriation and Resettlement of the I.R.O. negotiates agreements with the governments, arranges transportation and escort for those who are to be repatriated or resettled. Only those refugees who express a willingness to return to their countries of origin are repatriated. This movement is aided by national repatriation missions, working in conjunction with the I.R.O., whose liaison officers are stationed in the country of refugee origin. In the period from May, 1945, to July 1, 1947, approximately seven million displaced persons were repatriated.

Chinese Nationals who, although located in China, are actually there as a result of the war and whose permanent domiciles are in other areas of Southeast Asia, constitute a problem. There are an estimated 26,000 persons in this group who originally came from Burma, the Philippines, Singapore, the Malayan Union, and the Netherlands East Indies.

There now exists a lost growing generation whose members receive little thought while the world is engaged in a rescue effort to save millions of adults. We must not forget that there are some 14,000 children now gathered in camps in Central Europe, facing an unknown future, unless prompt help specifically for their care is given.

According to "World Communiques", by the end of 1948, "315,000 European Refugees" had exchanged their forlorn life in displaced persons camps for a hopeful future in countries of resettlement all over the world . . . . seventy-nine countries and territories in all parts of the globe, have received refugees, but only fifteen countries have received more than a thousand."

A nation declares its willingness to receive a fixed number of refugee immigrants. Thereafter, its representatives enter into an agreement with I.R.O. Resettlement and Legal Offices. Every attempt is made first to resettle family groups, not just those in the group fit for work. Once an agreement is concluded, most countries put selection missions in the field, composed of health and immigration officials. The refugees are briefed on the opportunities available, and those who express a desire to emigrate are given a preliminary screening. Survivors of this initial screening are then sent to one of several resettlement centers, where they are interviewed by the national selection missions. Thereafter, those who have met the mental, physical, and occupational requirements are transferred to a transit center, or staging camp. Then by the first available I.R.O. transportation they go to the country of their destination.

While in camp a comprehensive over-all plan has been elaborated and includes provision of food, clothing, personal items, health services, hospital care, employment, vocational training, education, individual counseling, child welfare service and voluntary agency assistance.

The refugee or displaced person, once he leaves the transit center, becomes technically speaking, an "immigrant or passenger." By a fleet of 25 chartered ships (under registry of some eight nations) and in additional space in other vessels and aircraft, these immigrants are transported all over the world, in the largest mass civilian transportation movement ever undertaken in history. A minimum of 30 trains a month are used within Europe, for repatriation and continental resettlement movements. The cost of maintaining such a transportation fleet amounts to approximately $155,000 per day, providing for the transportation of about 19,000 persons per month.

There are many immigrants who ultimately reach overseas destinations through sponsors, relatives, friends, voluntary agencies, or by independent arrangements with governments seeking highly specialized personnel. About 169,405 have been so assisted (July 1, 1947 to March, 1949), and in many of these cases, the I.R.O. is reimbursed for expenses incurred, in whole or in part by the individual migrant or his sponsor. Government missions are primarily concerned with selecting refugees whose skills would be of greatest use in supporting the economy of their country. The selection is made primarily to meet labor needs.

The total mass resettlement and individual migration was 142,143 (July 1, 1947 to March

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31, 1949). The United Kingdom took 81,781; the United States 37,630; France 29,203; Australia 29,197; Argentine 26,349; Belgium 25,313; Brazil 23,004; and Canada 17,528. The rest migrated to 65 remaining nations of the United Nations, with 250,000 going to Israel, under individual classification, as reported by A.I.D.C. for the period from May, 1948, when the State of Israel was established, to the present time.

The entire scope of refugee resettlement operations covering Palestine, provided for 390,000 immigrants, the total number including 80,000 resettled in Palestine during the war.

The majority of those resettled in the United Kingdom are single persons, because the housing shortage has prevented resettlement of families.

DISTRIBUTION

In Canada, immigration arrangements depend upon nomination by persons in Canada or on requests from private employers. Such requests are to fill recognized job vacancies, the majority of which call for laborers. This is all arranged on a contract basis, with an established pay schedule. The need for population growth has influenced refugee choice in South American countries, where the tendency has been to welcome families with an eye for satisfying the needs for special employment skills. Argentina has favored individually sponsored immigration, while Venezuela has been particularly concerned about recruitment of industrial workers and farmers. Brazil includes in its quota 75 per cent farmers and 25 per cent industrial workers. Paraguay is partial to Mennonites desirous of settling among already established Mennonite colonies. Turkey has accepted as permanent settlers only those refugees with Turkish antecedents, and cooperates otherwise with I.R.O. by accepting refugees temporarily, on a *de facto* basis. Australia takes mostly workers who spend a month learning English and Australian traditions in a reception center before going on to their jobs.

The non-repatriatable persons (old people, children, and women) are dependent upon wage earners who are given preferential selection by governmental missions. They are victims in the tragic separations, and form a "hard core" of refugees whom no country will accept. The result is a destruction of "refugee communities" which the I.R.O. is hard pressed to counteract. To the latter group may be added the intellectuals who are "victims" of an "embargo on brains."

Travel documents for refugees are provided under the International Agreement of October 15, 1946. A "Travel Document" commonly known as the "London Document" or "I.R.O. Travel Document" is recognized as official in those countries signatory to this agreement. The "Nansen Passport" is likewise honored.

More than 2,500 refugee physicians and 2,000 nurses have collaborated with a small staff of I.R.O. personnel to maintain recognized health standards, in camps and in transit. Immunization against diphtheria, typhoid, and small-pox is routine. Control is provided in the event of epidemics of yellow fever, cholera, and typhus. Daily medical dispensary and clinical services are provided under a public health program. Routine chest X-rays are made for the detection of tuberculosis. Judging by the appearance of thousands of refugees observed while the writer was in Europe, it can be said that nutritional requirements for the proper maintenance of health are well met. International fund allotments provide a "caloric diet (a little over 2,000 calories) for the occupants of refugee camps in Europe . . . no higher than that prevailing in the country in which such camps are located." Otherwise, provision is made for medical processing of refugees for resettlement, rehabilitation, and vocational training of the disabled, and repatriation of the sick. Those afflicted with chronic disease such as tuberculosis, blindness, deafness, and severe crippling, as well as other chronic illnesses, are sent to special hospitals where long-term hospitalization is provided. Consultation is held with officers of the World Health Organization, whenever necessary, and assistance is also obtained from European Red Cross Societies and the National Research Council of the United States.

During the first year of operation, there was on hand $119,088,320 contributed by member governments of the United Nations. The residual assets of predecessor agencies

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were turned over to the I.R.O., which was formally established on August 28, 1948, in accordance with Article 18 of the Charter of the United Nations. Member governments contributed during the first fiscal year: United States, $71,024,899; United Kingdom, $22,832,464; France, $6,481,481; Belgium, $1,575,405; The Netherlands, $1,426,740; Norway and New Zealand each $688,666; Dominican Republic and Guatemala, each $62,824; and Iceland, $32,132.

Other assets were available for non-repatriatable victims of German persecution under Article 8, Part 1, of the Final Act of the Paris Conference on Reparations, adopted by 18 allied powers in December, 1945, and under the Five Power Agreement of June 14, 1946.

We may ask what kind of an immigrant are we dealing with today. The immigrant of the past was predominantly a pioneer who dared venture forth on his own without any helping hand, in most cases. The immigrant of today was driven from his "blood country." He was dragged from camp to camp across a war-torn Europe. He had the opportunity for repatriation in the "old country" or resettlement in another land, and could make his choice, always under the guidance of helpful agencies of one kind or another. He found a world organization prepared to ease his lot by providing free shelter, food, clothing, work, occupational training, medical care, legal protection, transportation, and provision of personal items, entertainment, and a home in a foreign land with employment.

The labor situation in 1910 was less acute with a population of 92,000,000. By the same token, industry and labor organizations do not appear as active in their attempts to stimulate or retard immigration. A contemporary labor force of over 65,000,000 as listed by the Bureau of the Census for the first week in September 1949, exists. There is also an unemployment-low of 3,689,000 or six per cent of the total work force.

While friends and sponsors of one kind or another provide employment and "assurance" that none would become public charges, the fact remains that labor disruption is felt in proportion to the numbers admitted. It is nevertheless true that attempts are made to channel workers into areas and industries where such help is needed. In an "embargo on brains" many countries are neglecting the opportunity to admit the kind of creative talent and organizational ability that could provide work for many people and recent immigrants.

In short, in the majority of cases, the immigrants of today are being carried on a tidal wave of "escapism" sustained by a lingering hope that someday they will be able to return to their stamping grounds of old and recoup lost possessions and happiness at "home." Too many of them are importing their old-world hatreds, myths, traditions, religious conflicts, national symbols of pride, group strife, prejudices and dissensions, which may be unconscious obstructions. They will, unless properly guided, settle in ethnic groups, where all of these tendencies will continue to thrive and flourish. The very young and adult groups will undoubtedly become assimilated and make good American citizens. The older group mentality, already crystallized in a set old-world pattern, may unconsciously resist integration.

The rivalry between Disraeli and Gladstone—Prime Ministers under Queen Victoria—was intense. Called upon to tell the difference between a misfortune and a calamity, Disraeli hesitated and then answered: "There is a similarity, but there is also a profound difference. If, let us say, Mr. Gladstone were to fall into the Thames, that would be a misfortune. But if anyone were to pull him out, that would be a calamity."—*Kansas City Star*

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GLORIA

Bach praising God the Father we now praise
Who praise no more the Father. We now praise
Our Father Bach. Our praise is for his praise
Of God the Father. Ah, but praising him
Do we not praise with him our Father God?
For praise itself is God and praise the Father.

PATIOR

"I suffer," says the Latin.
"I wait and suffer," says the patient man.
"I suffer and refuse to wait," the passionate man.

"My suffering will not let me wait," says passion.
"My waiting is my suffering," says the man of patience.
The Latin does not say who suffers more.

But I could say who suffers most: he
For whom the waiting and the not waiting
Are the twin talons of a bird of prey.

ROBERT FRANCIS

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Books in brief

JASPER R. LEWIS

The Relativity of War and Peace. By Fritz Grob. (New Haven: Yale University Press. 1949. Pp. xiv, 402. $5.00.)

Although this book was, evidently, not written with this purpose in mind, it furnishes as complete evidence as could be cited of the inadequacies and inner contradictions of international law as it has existed for the past three centuries and more. These inadequacies and inconsistencies appear on every page.

The book was actually designed, to borrow the terms used by Dr. Roscoe Pound in his foreword to the work, as an analytical study in this basic field of international jurisprudence—the field of war and peace.

The study is divided into two parts, a historical and a theoretical section. The first two chapters present, with historical examples of their use, the "basic terms" which "ought to be considered in a study of the legal concepts of war and peace." The author has performed an impressive feat in revealing the "welter" of terminology to which, for political and other reasons, states have resorted in expressing their interrelationships, peaceful and otherwise.

Chapter III is devoted to a discussion of instances concerning which authorities disagree as to whether the situation was one of war or peace. Here are discussed the American Naval Operations against France, 1798-1800, and against Germany and Italy, 1941; the Boxer Expedition, 1900-1901; and German Military Operations against Italy, 1905-1916. In each one of these cases, the terminology of official pronouncements reveals a large measure of inconsistency. Chapter IV discusses a series of battles "said to have been fought in peacetime."

In the theoretical section, Chapter V "surveys . . . the rules of law which . . . refer to war." Chapter VI reviews and rejects various textbook definitions of war. In Chapter VII, through a comprehensive discussion of many of the terms listed in Chapters I and II, the main thesis of the book is developed. The book is amply documented, and there is an extensive bibliography of private and official publications containing "on the whole" only titles "which have been cited more than once and in an abbreviated form."

The main thesis, based upon a most painstaking and far reaching investigation, is that, contrary to the common assumptions of international jurists, international law fails to furnish a definition of war or of peace "in the legal sense." Although, as Dr. Grob amply demonstrates, the terms appear constantly in parliamentary discussions, legislative documents, and court decisions, as well as in diplomatic statements, international law treatises and the texts of treaties, he denies that a consistent definition of a state or condition of war or peace exists.

As corollary to this main contention, Dr. Grob maintains that, as used in their legal connotation, the terms "war," or "state" or "condition of war," and therefore, also, the corresponding methods of referring to peace, have in each case been used "in relation to and in the meaning of the various rules of law on war." Hence *The Relativity of War and Peace.*

The rules themselves, he further declares, must in the given case be interpreted, not

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according simply to the face value of the words used by governments, as in a declaration of war. They must be interpreted according to what the words amount to "in terms of action;" according to the "intent and purpose" of the specific rule of law on war in question.

All of this necessarily involves a large measure of interpretations. The question is therefore posed as to how and by whom this interpretation is to be made. The book does not furnish an entirely satisfactory answer. At times Dr. Grob seems to suggest that if a state *acts* in accordance with any rule of the international law on war, such, for example, as a rule concerning the treatment of prisoners of war, such state thereby, even despite a general categorical declaration to the contrary, acknowledges itself at war in relation to that specific rule.

In the light of the whole discussion, however, too long and too intricate to be reproduced here, we find ourselves forced to the conclusion that in the last analysis it is in many instances the author's interpretation of intent and purpose, as well as of the words used, and, indeed, of action itself, that we are asked to accept. We wonder whether the criterion adopted by the author does not come very close to that most commonly applied by text writers: the carrying on of armed conflict by hostile groups. The constant use of the general terms "war" and "peace" throughout the book, dedicated though it is to the thesis that no general definition of these terms is possible, raises a very fundamental question.

Dr. Grob denies that a definition of "war" or "peace" could be arrived at by bringing together into a composite whole all the known rules of the international law on war.

A main question in the mind of the reviewer is whether the author has not taken somewhat too seriously the inconsistencies of this field of international law, and hence of international law in general.

Nowhere has Dr. Grob attempted to assign the fundamental reason for the confusion that exists. That reason lies in the chaos and legal anarchy that, in spite of international law—or shall we say because of it—has lain in the international field. Each state has been ultimately free to make its own pronouncements in the terms of its own choice, and to interpret them for itself, however inconsistent the statements and the interpretations may have been with one another, or with those of other states.

The Relativity of War and Peace is concerned with one of the most baffling problems of international law—the nature of war. The problem is rendered more significant by the fact that approximately one half of the entire body of international law lies in this field. The confusion existing here has long been known and acknowledged. But in no other study has it been so convincingly set forth, nor with such wealth of material as in this book.

There is great question, however, as to whether this legal chaos can in itself be reduced to any sort of order, or whether order can come only with a fundamental change of underlying assumptions. The doctrine of national sovereignty is a doctrine of anarchy, and as such resistant to effective legal definition and a legal order. Such a fundamental change as is suggested must, it is believed, somehow involve the merging of the sovereignty of the separate sovereign states into one political unity with central power of uniform interpretation and enforcement.

It is cause for some regret that in his final discussion of United Nations enforcement action under the Charter, Dr. Grob is content to relate the pertinent provisions of the Charter to his main thesis of the "relativity of war and peace." While he accepts the fact that, the coordinated action there provided for would not be war in relation to certain rules of law, he holds that it would be such in relation to other rules. Nowhere does he suggest that in those provisions might be found the germs of a new world order in which international war as it has been would no longer exist, and in which, therefore, the rules of law on war would no longer have the significance that they have had in the past.

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BRIEFER COMMENT

BIOGRAPHY

Why the author calls it "an unauthorized biography" is not clear. *John L. Lewis,* by Saul Alinsky (Putnam, $4.00), has nothing that Lewis might find objectionable. It is devoted almost entirely to the part of the miners' leader in organization, battling for improved conditions and pay, and greater personal power. The author pays due honor to Lewis' ability and his dominating influence, and seems to side with him against Roosevelt in their political quarrels. It is entirely pro-labor and pro-Lewis.

James Grossman has both a sympathetic pen for his subject and a dispassionate judgment of his work in *James Fenimore Cooper* (Sloane, $3.50). There is a little of the personal, to give some perspective of the man, and of his writings. There is critical appraisal of both achievement and intention, based on detailed analysis. The volume is one of the American Men of Letters Series.

Another in the same series is *Jonathan Edwards,* by Perry Miller (Sloane, $3.50). This study of the sermons and beliefs of the early American writer and theologian is concerned with the fundamental beliefs of the Puritans, and Edwards' differences with them. It has extensive discussion of colonial principles and tabus.

The Life and Death of Chopin, by Casimir Wierzynsky (Simon & Schuster, $3.95), is descriptive of the development of the composer and the influences that encouraged him. Chopin's genius and his love affairs are skillfully blended into a moving chronicle, and the sketches of his intimates, including George Sand, are equally absorbing. Some newly discovered letters to his first mistress supply close pictures of Chopin's hopes and trials. The translation is by Norbert Guterman.

Some of the personal chitchat of the ruling circles of Southern society during the Civil War serves as relish for the main courses in *A Diary from Dixie,* by Mary Boykin Chestnut (Houghton, Mifflin, $5.00), edited by Ben Ames Williams. Events, comments, and criticisms are recorded freely by the author. There are historical allusions on every page, spiced with a gentle lack of inhibition. It supplies an intimate portrait of the Southern life of the era.

FICTION

A brief look at fiction finds *The Old Oaken Bucket,* by Bellamy Partridge (Crowell, $3.00), a pleasant tale of country life in Connecticut and the local garden club. There is amusing characterization and a minimum of action.

The Best of Intentions, by Robert Molloy (Lippincott, $3.00) is the psychological development of its chief figure, a New York Irish Catholic, whose lack of adjustment to life affects his attitude toward his family and his church. In many ways it is realistic.

A will brings a murder, and what follows is the search for causes. William Faulkner's *Knight's Gambit* (Random House, $2.75) is of life somewhat in the raw in the rural South (Tennessee), with characters that are rough and sometimes bizarre, but always flesh and blood. The story is a dramatic tale, rather than a mystery.

OF GENERAL INTEREST

Turning from his news broadcasts, Quincy Howe makes a running narrative of twentieth century history to date in *A World History of Our Own Times* (Simon & Schuster, $5.00). This is the first of three volumes, covering the years from 1900 to the 1918 armistice. Each chapter has a brief preview to focus the reader's thoughts, and a short summing up to give the results of each period. Howe tries to include human angles as well as the sober record.

The Ohio, by R. E. Banta (Rinehart, $5.00), is the history of that stream from the days of La Salle, the Indians, the French and English adventurers, and the pioneering Americans, to the later industrial decades. Banta has a considerable part of American history to relate, centering in the states bordering on the river, and with that goes the picture of the rivermen, the vessels from canoes to steamers, and the politics of its inhabitants. It is in the Rivers of America Series.

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The Potomac, by Frederick Gutheim (Rinehart, $4.00), is also one of that series. Because of its location this river is more easily designated as the connecting link between North and South politically and economically, particularly the former. The book has fascinating descriptions of the old South and its people.

The corruption of state government is "exposed" in *Our Sovereign State,* edited by Robert S. Allen (Vanguard, $5.00). A dozen chapters, each devoted to one of our sovereign states, relate some of the political evils that beset government. Politicians, businessmen, and their organizations come in for a severe lacing, and some of the people's heroes are debunked of their good intentions.

Moscow's humor magazine, *Krokodil,* is responsible for a number of cartoons directed against the United States, now reprinted as *Out of the Crocodile's Mouth,* edited by William Nelson (Public Affairs Press, $2.50). Since the publisher of the humor magazine is the well known mouthpiece *Pravda,* the gist of the cartoons is readily understood.

George Seldes believes the American people are misled by their newspapers. *The People Don't Know* (Gaer, $3.00), is his version of the cold war, particularly in Europe, the truth of events, and the way news reports are garbled in the battle of church and state to maintain the status quo of politics and organized religion. Seldes goes after the big newspaper publishers and syndicates by name for concealing the truth.

An anthology of the unusual in the way of news stories is *A Treasury of Great Reporting,* edited by Louis L. Snyder and Richard B. Morris (Simon & Schuster, $5.00). A portion of it goes back a hundred years or more, but most of it is out of the last seventy years or so. A little of it is told in cartoons and pictures. Not necessarily important items, but oddities or well done pieces supply an interesting panorama of people and events.

B. A. Botkin edits another fascinating volume in *A Treasury of Southern Folklore* (Crown, $4.00). Made up of liberal selections from the literature and ballads about the South and its people, well known or forgotten, it presents all aspects of life below the Mason and Dixon line, with something pleasant for each taste.

A volume that can be very handy is *Thesaurus of Book Digests,* compiled under the editorial supervision of Hiram Haydn and Edmund Fuller (Crown, $5.00). Here are, in alphabetical order, brief digests of 2,000 writings, from old classics to current books; just enough to refresh the memory or to excite interest for further reading. Authors are included in the listing, with a few brief notes on each. There is also a complete index.

The Heritage of America, edited by Henry Steele Commager and Allan Nevins (Little, Brown, $5.00), appears in a revised and enlarged edition to give first hand narratives from the history of American life through World War II. These selections are from participants or observers, with each author's name appended. Philip Hone's diary notation that the mechanic "does not do so well now with 18 shillings per day as he did when his wages were only 12 shillings" should bring a laugh—to today's mechanics.

The Inner Sanctum edition of Charles Dickens' *The Pickwick Papers* (Simon & Schuster, $5.00), makes an extra appeal through the addition of hundreds of new illustrations by Frederick E. Banberry. It is an attractive popular edition.

An oddity is the *Standard Dictionary of Folklore, Mythology and Legend,* edited by Maria Leach and Jerome Fried (Funk & Wagnalls, $7.50). It is the first volume of a work designed to record and describe the world's myths, legends and beliefs, and list them in alphabetical, dictionary style. The completing volume is projected for 1950.

Lillian Smith's *Killers of the Dream* (Norton, $3.00), gives her views on the Negro problem in the South, and her opinions on the primary causes of racial bias. She is candid and sincere, and discusses some of the intimate aspects of Southern society as only a Southerner can.

The Ironing Board, by Christopher Morley (Doubleday, $3.00), contains 26 essays gathered from his later magazine writing. Some of them might qualify as fiction, but they are all entertaining, and in Morley's best wit.

JASPER R. LEWIS

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COUNTRY COMMENT

During the past few months I have been solicited by mail, here in the backwoods, to buy Harvard coasters and Harvard neckties. Before that it was Harvard china and Harvard goblets. Thus the Harvard influence follows one through life wherever he may be.

A sample coaster was sent me all ready for mailing back in case I did not want to keep it. It was of bronze, guaranteed alcohol-resistant, and embossed with the Harvard motto, *Veritas*. Before sending it back, as I held it in my hand, I wondered how I could use it (since I did not need a coaster) if the whim took me to possess it. I could not decide, though it occurred to me that in other times and in other places I might have bored a hole through it and hung it around my neck.

No sample necktie was sent me, but instead color pictures of several. One, called *The Shield*, is "adapted from the coat-of-arms of the University. The miniature shields are jacquard woven with meticulous detail on pure dye silk. In the traditional Harvard color combinations: Black ground with Crimson shields; Dark Red ground with matching shields. $4.00 each."

Though I have decided not to buy a Harvard tie, there is always the possibility (however remote) that someone might make me a gift of one. In that event I should be faced with several questions.

(1) How could the wearer of *The Shield* protect himself against the possible misinterpretation that he was showing off, putting on airs, and being generally uppish?

(2) How could he guard against the even more serious suspicion that he was not a Harvard Man at all, but a bluff and an impostor, since your true Harvard Man presumably wouldn't feel he needed a Harvard tie to establish his identity and distinction?

(3) Since the tie bears the word *Veritas* so emphatically (14 times in the segment shown in the picture) and since one is running into people all the time who remember a little Latin, how could the wearer be sure that he was not being taken to assert that the University had a sort of monopoly on truth, truth incorporated, so to speak, and ivy-clad?

(4) Finally and frankly, is it quite safe today for anyone, especially in an institution of higher learning, to wear a conspicuously red tie, even though the red is authentic crimson? After all, when it comes to shades of red, not everyone is able to make nice distinctions.

I am not opposed to the Harvard tie. It may be possible for a Harvard Man, with due caution, to wear such a tie without undue danger. And I am not opposed to anyone's earning an honest penny.

A few years ago I met a man who showed me a silk necktie on which his wife had hand-painted the Atom Bomb bursting. He was a high-school science teacher, and doubtless for him the tie was appropriate and instructive. But I hope no one ever gives one to me. I would rather wear a Harvard tie.

ROBERT FRANCIS

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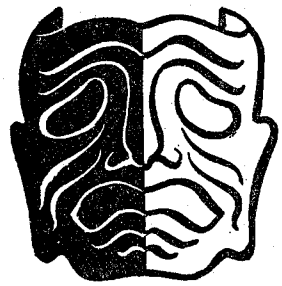
The THEATER ARTS



by John Gassner

Belatedly, the New York theatre got around to a few productions of the plays of Strindberg, the master from whom flow many of the trends of modern drama. His centennary fell on January 22, 1949. None of the tributes paid on the stage, however, were as comprehensive and satisfactory as the book the Macmillan Company published on the "bedevilled viking." Without question Elizabeth Sprigge's *The Strange Life of August Strindberg* (Macmillan, $3.50), is the most authoritative and best written book on its subject in English. It goes far toward explaining Strindberg to the playgoers who have recently seen two of his most remarkable plays *The Father* and *The Creditor.*

The reader of Miss Sprigge's book will come to understand the mainsprings of Strindberg's psychological insight into the war of the sexes and the intense presentation of it in play after play which made him the parent of modern psychological drama. Miss Sprigge tells the story of Strindberg's early fixation on his mother, a servant girl who lived out of wedlock with a man of good social standing until a short while before Strindberg was born. Miss Sprigge traces the course of a childhood marked by deprivations, the greatest of these being his having to share his mother's love with a brood of children and the death of this mother while he was still a youngster. Henceforth Strindberg was to look for a mother in every woman he loved and lost, but he was to resent being a child to each of them. He compensated his vestigial dependence on women by claiming all the prerogatives of a lord and master in his household. Three marriages and divorces resulted from this peculiarity. The first of these, with Siri von Essen, the wife of a nobleman whom he had taken away from her husband and an actress of some talent who chafed at the domestic bonds Strindberg imposed on her, is told with especial interest by Miss Sprigge. Out of the scandalous struggle with Siri came *The Father* and other plays.

Since Strindberg had other devils than domestic ones to deal with, his case was hopeless indeed. He suffered from delusions of grandeur, which made him turn to alchemy (he believed he had discovered a formula for making gold and that America stole it from him). Worse still, he was subject to delusions of persecution which brought him to the verge of insanity—a fate he feared and tried to stave off after discovering that his correspondence with his admirer Nietzsche was with a man who had lost his reason. The realist Maupassant, whom he esteemed highly, also had to be confined to an asylum. A psychiatrist can indeed have a field day with the biographical data of Strindberg, the best of which were supplied by himself in a series of embarrassingly candid but remarkably penetrative autobiographies.

In fitting Strindberg's work into the framework of his strange life Miss Sprigge has performed a greater service to criticism than many a critic has done. It would be difficult to find another modern playwright whose work is so decidedly a projection of his inner reality. That Miss Sprigge is able to do justice to her subject is hardly surprising, since she is a competent creative artist herself and has been steeped in Strinbergiana for a long time. When Bernard Shaw received the Nobel

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Prize, he endowed an Anglo-Swedish Literary Foundation, with a special view to ensuring adequate translation of all of Strindberg's work—an eloquent tribute from the sanest of artists to one of the least sane but certainly one of the greatest of Shaw's contemporaries. Miss Sprigge has been translating Strindberg's prose and verse for the Foundation in collaboration with her father-in-law.

There were many Strindbergs. There was the sick soul that spent some time in an asylum and never lost certain symptoms, such as abnormal suspiciousness, belief in the omnipotence of thought, and delusions of persecution. But there was also Strindberg the amazing artist who had the power to externalize his inner complications and discharge his unhealthy drives in ways impossible to the insane—that is, in the formal structure of art, in universally applicable penetrations, and in self-criticism. He was, in short, the classic example, along with Dostoevsky, of Freud's statement that an artist is a neurotic who cures himself through his work. I am not sure that every artist is a neurotic, and it is safer, I suspect, to say that instead of curing himself, the artist who is a neurotic merely wins surcease from his devils or attains periods of lucidity and mental health through externalization by socially acceptable productivity.

Moreover, the evidence Miss Sprigge supplies, the evidence of work in nearly every prose and verse form that fills 50 volumes of the official Swedish edition of Strindberg's work, is sufficient warrant for Sweden's greatest literary figure's acceptability as a man whose work must be treated seriously. We may take his personally twisted and charged animadversions against women and his idiosyncratic overemphasis of the power of suggestion with a grain of salt, but we cannot dismiss his work as the ravings of a maniac.

There were many Strindbergs, I have said: the novelist, who is fascinating without possessing first rank, and the short story writer of the two volumes of *Married* who ranks above most purveyors of short fiction since his time. There is the autobiographer who can share honors with Gorki, Proust, and O'Casey and is more disturbing than any of these. In addition, Strindberg was the writer of the best historical plays of the modern theatre, the author of the most impressive examples of psychological drama to which no less a dramatist than O'Neill has expressed indebtedness, and the dramatist who initiated expressionism. He was responsible for some of the most expressive non-naturalistic drama in the modern theatre.

The American theatre has evinced little knowledge or understanding of any of these aspects of his creativeness except in the field of naturalistic—that is, ultra-realistic—drama. His historical plays, such as *Gustavus Vasa* and *Queen Christiana,* are hardly known here, because they deal with Swedish history. They are vastly superior to the historical verse plays of Maxwell Anderson and a chronicle like *Victoria Regina.* Only Robert Sherwood's *Abe Lincoln in Illinois* possesses the stature of the Swedish historical plays. And Strindberg's expressionistic plays are memorable works of art.

In the 1920's the Provincetown Playhouse under Robert Edmond Jones, Kenneth Macgowan, and O'Neill did produce *The Spook Sonata,* but an entire generation has not seen this elusive masterpiece. It seems to be entirely unaware of Strindberg's beautiful *Dream Play,* his profoundly shattering *To Damascus* trilogy, and his Jonsonian comedy *There Are Crimes and Crimes.* College students occasionally confront these works, only to be dismayed when they fail to receive expert guidance from their instructors. They would need considerably less guidance if they had opportunities to see the plays performed on Broadway and off.

Strindberg's interest in staging led him, as a matter of fact, to hurl himself enthusiastically into the work of the Intimate Theatre in Stockholm and to experiment with simplified, suggestive scenery. Fortunately, nonetheless, the New York theatre since last summer has given this unique playwright a hearing three times, twice with *The Father,* and once with his long-acter of domestic conflict and psychological suggestion, *The Creditor.* And if these represent only the realistic side of his creativity, they reveal the power of his stagecraft and penetrativeness.

I should like to see a good revival of his two-part drama *The Dance of Death* which

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the young Theatre Guild tried in vain to introduce to the American public more than a quarter of a century ago. I would also like to see satisfactory productions of the long one-acter *The Link,* which remains to my mind the best divorce drama of the theatre, and *Comrades,* a comedy as challenging as it is amusing. The one difficulty in producing these and similar plays by Strindberg is that they must be acted to the hilt. It cannot be said that any of our recent efforts to revive Strindberg have been entirely realized on the stage. But they have all been commendable up to a point.

The little group that first produced *The Father* at Carnegie Hall revealed its amateur status, but delivered itself of an honest job of work. The production was appealing even when crude, because it did not try to turn the play into a customer-cadging performance. The producers of *The Father* on Broadway are to be commended for risking the play in the market place and treating the content with respect and devotion.

Raymond Massey's direction may not be the brightest example of theatrical art available to us, and his own performance of the cavalry captain driven out of his mind by his Clytemnestra has shortcomings—less of acting than of personality. Massey is a good and wholesome man who tries to masquerade as a violent and obsessed character, as demanded of the role. One can sympathize with the character portrayed by him, but it is difficult to be held by him. Massey's Captain is too uneven a match for his wife to evoke more than pity in us. And if there is one thing that can be safely said about Strindberg the naturalist, it is that pity is not the commodity we expect of his work. The temptation to present all of Strindberg's male characters as weaklings is great, because many, though not all, of them succumb to feminine ruthlessness.

Mr. Massey also directed the play. Therefore his characterization is his sole responsibility, although he cannot be blamed for his failure to transform himself into the sort of person he is not. But it is plain that he accepted the mistaken theory that Strindberg's men must be weak. He cast all the other male characters, except the comic soldier, in accordance with this notion. All of them have a lean and hungry look, as if they had been drained of much of their lifeblood by vampire women. Nevertheless, it cannot be said that Mr. Massey's performance lacked variety and sensitivity. His direction was intelligent and tasteful, even if deficient in force. And it was a stroke of genius to cast Mady Christians in the role of the Captain's wife, who is driven by forces within herself to destroy her happiness and her man. Nothing Miss Christians has played here, not even *I Remember Mama,* has revealed her greatness as an actress so clearly. She plays the part of Laura as though every fibre of her were possessed, and she plays, as Nazimova used to do, with every muscle in her body.

It must be recorded, too, that some of the shortcomings of the production, which do not prevent its being the worthiest play on Broadway this season, are to be laid at Strindberg's door. In the first place, he is an extremist in his misogyny, and his work is the product of the sorrows of a henpecked Bluebeard, as the English critic Desmond MacCarthy once declared. In the second place, the full reality of *The Father* depends upon an obsession which makes his hero something of a fool or neurotic. He is consumed with the conviction that it is simply impossible to establish the legitimacy of any child, so far as the father is concerned. It was also Strindberg's obsession for a time, and he discharged it in the play he wrote.

Strindberg falls short of being the great playwright he could have become, largely because in work like *The Father* he discharged his feelings directly instead of subjecting them to a process of sublimation, such as we find giving breadth and wisdom to *Antigone, Hamlet,* or *Phèdre.* It is not enough for an artist to present what is real to him. He must present that reality with due consideration of the degree to which it can become convincingly real to others. The feeling that originated the play must *die* in the play, and then be reborn.

The same shortcomings appear in *The Creditors,* in which a maligned first husband returns to wreak vengeance on the woman who sucked him dry and then made him ridiculous in the eyes of the world. By means of suggestion, he brings out the disillusionment

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and despair deep in the soul of her second husband and exposes the wife to scandal. But *The Creditor* is an even more remarkable piece of dramaturgy than *The Father*. It is one of the most concentrated plays of the modern repertory. It shows Strindberg capable of doing precisely what he hoped to do for the drama—namely, to strip it to the bare bone.

It is true that here Strindberg actually fails to carry out what must have been his real purpose—namely, to expose the woman. He does expose her as a vain creature trying to assure herself that she is still attractive by courting the admiration of young men, as a parasite feeding on men's minds and spirit, and as a person who tries to cast down all the men who lift her high lest she realize her own inadequacy. Like other Strindberg women she is bitten with the bug of feminism and adds to the natural ruthlessness of woman the ruthlessness of all people who try to make more of themselves than they are. She is the victim of the neurosis of success that seized women, according to him, when they began to try to play a man's role in the world while claiming all the time-honored prerogatives of women in the Western world. But Strindberg's picture of the two men in her life is so repugnant, the one as a weakling and the other as an infernally calculating avenger, that the woman is tolerable by comparison. But this is all to the good, and *The Creditor,* short as it is by comparison with most full-fledged dramas, has breadth and human dimension.

The performance given by the valiant and capable On-Stage group at the small Greenwich Village theatre, The Cherry Lane, is excellent in all respects, except perhaps for a trifle too much youthfulness on the part of George Hill who plays the "creditor" (the husband who wreaks his revenge), and this is apparent only in his appearance and not in his acting. The second husband, an unhappy artist who has tried to conceal the failure of his marriage from himself, is superbly played by DeWitt Drury. Beatrice Tekla, who impersonates the wife, reveals herself as an actress of remarkable range in voice and stage movement. Miss Tekla is a dynamic actress, and it will be some time before we see a better performance of the role.

Another little off-Broadway group, the Abbe Practical Workshop, performing at New York's Roerich Museum, has also covered itself with glory in reviving Synge's neglected romantic masterpiece *Deirdre of the Sorrows*. When the English theatre uncovers a comparable work of poetry there will be cause for jubilation. The Abbe Workshop could not entirely convey the power of John Millington Synge's play with amateur actors, although the 19-year-old girl who played Deirdre, June Bianca, has an appealing personality and a capacity for feeling. But largely owing to able direction by Richard Barr and good performances, by the professional actors Dorothy Patton and David Orrick, the Abbe group was able to provide a better evening of theatre for discriminating playgoers than Broadway does with more finish and less substance and spirit.

The one exception is *That Lady* by Kate O'Brien, but not for the merit of the play itself so much as for the meritorious Guthrie McClintic direction that brought back a certain splendor to the stage in its treatment of the Spain of Philip II and for a number of excellent performances by Katharine Cornell and her cast. I have never found Miss Cornell more charming and radiant than in her performance of a woman who defies the infatuated and twisted Philip II. Henry Daniell's Philip II was another memorable piece of creative acting. All this virtuosity, combined with the English artist Rolf Gerard's superb settings, make good theatre in their own right. They do not, however, make a play, and in the present state of the theatre it is plays we need more than anything else. It is difficult to analyze the faults of *That Lady*. It is literate drama, and it has feeling. What it lacks, above all, is a content that relates it to modern life, and it is not probing enough to do what a truly poetic drama can do—namely, evoke the universal for us. Love is, of course, a "universal," especially when, as in this play, love defies the power of an absolute monarch. But the only "universal" viable in the theatre is one that translates itself into spiralling drama, and this is what *That Lady* fails to achieve. And yet I should be loath to deprive anyone of the experience of seeing Katharine Cornell in it.

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SHOULD STEEL BE NATIONALIZED?

Can it work?
Who profits?
Labor, small business, the public?

By CAROL L. THOMPSON

The problem: Government economists claim that failure of the steel industry to expand its capacity now may well bring on the much-to-be-feared depression. Industry spokesmen claim that they are expanding as rapidly as safety will allow. Is nationalization of this basic industry the answer?

IN PRESIDENT Truman's State of the Union Message of 1949, he asked Congress to order an "immediate study" of existing steel capacity. If the steel industry's capacity was inadequate, declared the President, the government should either lend companies money for expansion, or go into the steel business itself.

Observers of the economic scene differed on the severity of the so-called "steel shortage." With demand for consumer goods at unprecendented peaks after World War II, it was difficult if not impossible for the big steel plants to turn out enough steel fast enough. Nonetheless, during 1948, the industry added 1,800,000 net tons of capacity to its existing facilities, according to Walter S. Tower, president of the American Iron and Steel Institute. In 1949-1950, plans call for a total addition of another 2,700,000 tons, and the total expansion bill is estimated at two billion dollars. The retirement of obsolescent capacity meant that the 1948 capacity, for example, was 1,271,000 tons less than the 1945 capacity. The 1949 capacity was to be 96,120,000 tons, only 615,000 tons higher than steel capacity at V-J Day.

Friends and foes of steel nationalization agree on the vital importance of steel in the modern economy. In actual fact, the United States today produces more than half the world's output of steel. It is estimated that one out of every four Americans lives in a community where there is an iron or steel plant.

Although all of us are peculiarly dependent on steel and steel products today, the use of steel in industry is a relatively modern development. Steel has been produced in quantity for less than 100 years, although the Romans and other ancient peoples were familiar with this versatile metal. Plain carbon steel is an alloy of iron with carbon; the iron is purified so that most of the elements which make it brittle have been burned out. About 92 per cent of all steel produced today is plain carbon steel. Alloy steels are produced by adding "alloying" metals to adapt the steel for special purposes.

Although William the Conqueror brought iron-making to England, iron manufacturing in Great Britain did not begin to expand until the fifteenth and sixteenth centuries. At that time, the growing industry began to threaten the timber reserves of the nation. A shortage of timber would, of course, have cut the supply of raw materials for Her Majesty's Navy. So, in 1558, the first year of Elizabeth's reign, a law forbade cutting timber "for the making of iron" except in localities specified in the act.

The British were not particularly impressed with iron making, and when iron was discovered in the North American colonies in 1585, the discovery was not hailed with rejoicing. Not until 1620 was the first ironworks established here, at Falling Creek, Virginia, and when this settlement was wiped out by the Indians (1622) it was never rebuilt. The first successful ironworks in Amer-

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ica was established on the banks of the Saugus River, in Massachusetts, between Boston and Salem. Once established, iron found a tremendous market in the United States. Although English law forbade the construction of new iron or steel plants in the Colonies, the law was openly defied, and the American Revolution found the ironmakers ready and willing to supply the Revolutionary Army.

The tremendous market for iron in this country, and its patent usefulness, contributed to the development of this great industry. Of the requisite raw materials, the United States boasted an abundance. The great soft coal fields of the country were and are adequate to supply the fuel for the blast furnaces; iron ore was found in abundance in northern Minnesota, Michigan, and Wisconsin. Limestone, which acts as a flux in the purifying process, was close to the coal fields in Michigan, Pennsylvania, and Ohio.

As the iron industry prospered, curious little communities, known as "iron plantations," sprang up in colonial America, and particularly in Pennsylvania. These villages sometimes covered as much as 10,000 acres, and were run on an old-style feudal pattern reminiscent of the cotton plantations of pre-Civil War days. On the plantations, companies maintained their own stores and even their own schools. Unlike the coal industry (see FORUM, December, 1949), the iron and steel industries soon abandoned this practice.

In 1792, the first blast furnace was built in Pittsburgh, Pennsylvania. This great steel center was favored geographically, being located at the fork of the two rivers which meet in the Ohio. Because it is cheaper to bring iron to coal, than to transport adequate supplies of coal to the iron fields, the coal regions of Pennsylvania became natural centers of the iron, and later, the steel industry of the country.

The history of iron and steel in the United States would not be complete without mention of the greatest steelmaker of his day—Andrew Carnegie. Without doubt, iron and steel were to transform the economy of the country and of the civilized world. Andrew Carnegie transformed the iron and steel industries. When he was born, in 1835, in Dunfermline, Scotland, the world was just recognizing the beginnings of the machine age. In the United States, as late as 1830, only five per cent of the country's population lived in towns of 8,000 or more inhabitants; by 1850, only 12.5 per cent of the population was "urban." Even when young "Andra" arrived in America (in 1848), cottage workers finished many products at home and father William Carnegie was able to set up a handloom in the Carnegie home.

Andrew Carnegie was an ambitious young man and a far-seeing one as well. His first good job with the Pennsylvania Railroad proved to him the importance of the iron industry which was needed to build the bridges and above all the track for the rapidly expanding railroad industry. Before long, Carnegie was engaged in the iron business as a producer and supplier of iron bridges and iron rails. Although conservative "iron men", including Carnegie's own partners, feared the change-over from iron manufacture to steel, Carnegie himself was convinced by 1870 that the Age of Steel was at hand. The corporation which began the manufacture of steel for steel rails during the panic of 1875, eventually became the famous Carnegie Steel Company, which was sold to United States Steel in 1901 for $400,000,000!

BESSEMER

Carnegie's sponsorship of new processes for making steel cheaply and in quantity was partially responsible for the astounding growth of the steel industry. William Kelly and his brother in Kentucky, and Henry Bessemer in England, were responsible for the almost simultaneous development of a new process for making steel from pig iron. The process was soon heralded as the Bessemer Converter.

Prior to the adoption of the Converter, pig iron was turned into wrought iron by heating it under a blast of air with charcoal. Utilizing the discovery that a blast of cold air on liquid pig would make the iron hotter, Bessemer (and the Kellys) constructed special furnaces in which air was blown on the hot iron through the furnace floor. The first steel was made by the Bessemer process in the United States at Wyandotte, Michigan, in 1864.

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Although the Bessemer process gave great impetus to steel production in the United States, the Bessemer Converter was eventually replaced by the so-called "open-hearth" method of steel manufacturing. The first steel made by this new process was produced at Trenton, New Jersey, in 1866. By 1949, more than 90 per cent of all the steel made in this country was being produced in open-hearth furnaces.

After steel is made, steel ingots weighing anywhere from five to twenty-five tons apiece are rolled first into semi-finished and then into finished steel products. From the beginning of steelmaking in this country, steel companies combined many operations including the conversion of pig iron into steel, and the production of finished steel items. One of Carnegie's first steel companies, the Edgar Thomson Steel Works, concentrated first of all on the manufacture of finished steel rails for the rapidly expanding railroads. There are, of course, many varieties of finished steel, such as wires and wire products, pipes and tubes, and structural steel. As the steel business expanded, it began to seem increasingly economical for huge single companies to handle many phases of steelmaking and to provide their own markets, so to speak, by manufacturing the finished products for which steel ingots were required.

During the numerous, bitter price wars which distinguished the Carnegie era in steel, the advantages of lessening if not eliminating competition among the big steel manufacturers also became apparent. Faced with the threat that some of his best customers—the wire and wire products people—were about to make their own rough steel, Carnegie at the end of his career had actually prepared to go into many phases of the finished steel products industry. Only the sale of the Carnegie Company to the Morgan interests prevented this development.

Although Carnegie himself believed in vigorous competition for the steel industry and was loath to concentrate his activities in a gigantic steel trust, one of his partners, Charles Schwab, saw clearly the tremendous financial advantages of concentration. The making of steel is, of course, a complicated process. Coal must be converted to coke; iron ore to pig iron. Although Carnegie never interested himself in buying coal fields, preferring to buy on the open market, he had been persuaded to take a lease from John D. Rockefeller on the gigantic iron deposits on the shores of Lake Mesabi in Michigan.

Because the price of steel is so dependent on the price of the raw materials which make it up, the steel companies developed in the direction of owning coal fields and iron mines, to insure control over the production and the price of their raw materials. Thus one of the first activities of the new United States Steel Corporation, set up by the Morgan interests in 1901, was to purchase from John D. Rockefeller the Mesabi iron fields formerly leased to Carnegie. Today, the United States Steel Company and other, smaller but still gigantic steel concerns, own and operate enormous steel plants, which range in capacity from 400,000 tons to 5,700,000 tons of steel annually. Compare these figures with figures on steel production in 1900, when the entire production of Carnegie Steel was four million tons. (And the total steel production of Great Britain was about five million tons).

It has perhaps been inevitable that steelmaking under twentieth century conditions should have lent itself so easily to the creation of giant trusts. So long as Andrew Carnegie remained active in the industry, such trusts were impracticable because "Andy would never stay hitched." He preferred the rigors of unbridled competition. This preference is perhaps the luxury only of the most competent in any industry. The less able require some protection from competence and this protection, sometimes only a "gentlemen's agreement," soon degenerates into monopoly.

Whatever the reason, the facts remain that steelmaking in the United States today is in the hands of a comparatively few giant concerns. This relatively new industry is of vital significance for the rest of the American economy. Its labor standards set the pattern for American labor in general. Steel prices tend to set prices for American manufactures. Steel shortages tend to create shortages in almost every conceivable line of consumer goods.

We are dealing, then, with a vital industry, a heavy industry intimately related to most

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consumer industries—an industry, moreover, which has always tended toward monopoly.

After 1900, as we have seen, a good many steel fabricating companies had served notice on the Carnegie company that they were going to make their own raw steel, and Carnegie himself had threatened to go into steel manufacturing of finished products. When the United States Steel Corporation was organized in 1901, as a New Jersey holding company, it included many varied kinds of steel companies. The beginnings of the great twentieth century concentration of power in industry may be seen from a glance at the names of the companies whose preferred and common stock were included in the new United States Steel Corporation. The list included: the Carnegie Company, Federal Steel, National Steel, National Tube, American Steel and Wire, American Tin Plate, American Steel Hoop, American Sheet Steel and, soon afterwards, the American Bridge Company. With the addition of the Mesabi iron mine holdings, the new company took over an estimated three-fifths of the steel business of the United States! Although not every steel company was included, and although the percentage of American production put out by United States Steel decreased in the following years, still the company tended toward monopoly.

PROFITS

Not only is steel produced on the whole by a small number of industrial giants, but these giants have usually been tremendously profitable enterprises. According to the Steel Industry Board, appointed by the President in July, 1949, to investigate labor conditions in the steel industry, its net profits after taxes in 1948 were 511.9 million dollars (as compared with an average yearly net of 271.3 million dollars in 1940-41). This represented a rise of 89 per cent over pre-war profits. In the first half of 1949, the annual rate of profit was approaching 606.6 million dollars, 124 per cent above the 1940-41 average! One cannot escape the feeling that the steel companies go under fire from time to time simply because of reported profits of such magnitude. There will always be proposals to nationalize a failing industry, such as coal. (See FORUM, December, 1949). On the other hand, advocates of nationalization frequently cast their eyes on highly profitable industries, such as steel (or electric power).

President Truman's hints at nationalization (partial) of steel did not stem from any interest in its profits. Nor was the administration concerned with the recurring labor crisis in the steel industry, settled at least temporarily. Actually, few laborers in the country are as well paid on the average as the steel workers. Since July, 1948, the base rate of pay in steel has been $1.185 an hour for yard labor, but this rate actually applies to few steelworkers. The top 1948 rate, $2.545, also applies to very few. The average in one factory described recently was $3633 yearly for a work week of 42.1 hours. This rate is more than double the 1940 average of $1773; the rise in net earnings (but not in hourly rates) more than covers the rise in American prices on the whole.

These figures reveal that big business, monopolistic as it may tend to become, sometimes provides advantages for the worker far exceeding those he may find in smaller and less profitable enterprises.

Actually, the basic reasons behind the President's mention of putting the government in the steel business is the administration's feeling that steel has not expanded facilities fast enough or far enough to meet the needs of an expanding American economy. What are some of the facts? Before World War II, it cost approximately $75 to add one ton of new capacity for finished steel. In 1949, steelmen estimate that it costs about $300 to add the same additional capacity. Because tax allowances for depreciation do not take high replacement costs into account, much cash for depreciation—much cash for new building—must come out of taxable profits. Although under these conditions steelmen are unwilling to expand too quickly, administration economists have been urging a big expansion program for the industry.

How do their demands sound to steel company representatives? In a recent article in *Steelways,* Congressman Clarence J. Brown, Republican, of Ohio, expresses the company viewpoint:

> The industry today is turning out more finished steel for freight cars, automobiles, tractors, refrigerators, vacuum cleaners and other

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> useful things than ever before in our history: two and a half million tons a year more than we put into all the warships, planes, tanks, guns, bombs and shells we threw at the Germans and the Japs. With less than seven per cent of the world's population, we are making more than half the world's steel. And the industry is still expanding its capacity to increase yet more the unparalleled comforts it has helped to provide for us. Data I have gathered show that in ten years it has added to itself the equivalent of all the steel mills in Engand.
>
> A few men in the government say this is not enough. They insist on more . . . . much more. They threaten to put the government into the steel business if they don't get it. Should their demands be allowed to govern, steelmen fear that before too long there would be more steel available than people could buy.

What then, ask the steelmen?

> If that happened, steel mills would have to slow down, steelworkers would work fewer hours, paychecks would dwindle not only in steel towns but in iron and coal mining regions and on the railroads. The accumulated result would be a spiraling drop in the purchase of food, clothing, and the everyday needs of life whose production keeps our modern industrial society alive and well.

The basic conflict between those who want to nationalize the steel (or the coal, or any other) industry and those who believe in private enterprise lies in a difference of opinion over national planning.

BASIS

In some industries, such as coal, arguments for nationalization may be based on the failure of the mine operators to provide safe working conditions, or fair wages for the miners. In addition, a good argument may be made for government interference in a basic industry unable to maintain a fair profit under private ownership. These premises all apply in some measure to the mining of coal (see FORUM, December, 1949). None of them can logically be applied to the extremely profitable steel industry, whose workers have for many years been among the highest paid in the country.

Whether the steel industry is operated in a manner best calculated to serve the general welfare of the people of the United States is, however, a more pertinent question. As we noted above, the steelworkers' wages on the average have more than compensated for the rise in the cost of living so disastrous to many income groups in the United States. Powerful union organization has forced the steel companies constantly to raise the wage scale to meet union demands. At the same time, rising steel wages have ipso facto meant higher steel prices, and at least since the close of World War II, higher steel prices have signalled a further rise in the general cost of living in this country. Although unquestionably private ownership of steel has worked to the advantage of the owners and of the union-organized steel workers, it may have worked hardship on other groups of Americans.

Recently the steel unions fought and won their battle for noncontributory social insurance and pensions payable out of company money. The President's fact-finding board, after refusing to recommend a wage increase demanded by the union, declared in favor of noncontributory pensions and social insurance. Part of the recommendations of the board are quoted below:

> Social insurance and pensions should be considered a part of normal business costs to take care of temporary and permanent depreciation in the human "machine," in much the same way as provision is made for depreciation and insurance of plant and machinery. This obligation should be among the first charges on revenues. . . .
>
> . . . . The net cost of the social insurance and pension plans herein recommended can be absorbed by the companies without unduly narrowing the profit margin of the industry or its ability to hold or even lower its prices.

That pensions can be paid without affecting steel prices is, of course, a matter of opinion. But, without some degree of nationalization there is no way in which the government can forestall or prohibit price increases based on pension costs. Now that the steel strike is over and noncontributory pensions have been won by the union rises in the price of steel and steel products have followed.

Now, as long as the steel workers themselves, with their powerful organization, are able to keep up with rising costs by demanding, and winning, higher wages, the rise in steel prices (and other prices) affects them

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only remotely. But this combination of well-organized union and powerful industry may adversely affect the general welfare, by raising prices not only of steel but eventually of many other products as well. Nationalized industry, according to its proponents, would be run with the *national welfare* in mind.

The steel industry is high on the list for nationalization, secondly, because it is primarily a *monopoly industry*. At least since the formation of the United States Steel Corporation, there has been almost no real competition among various steel producers. The great age of unbridled competition in American industry, observe the nationalization supporters, was unsuccessful and actually harmful. Manufacturing geniuses like Andrew Carnegie and Henry Ford, financial geniuses like Morgan and to a lesser extent Rockefeller, were able to ride roughshod over less competent producers. The huge fortunes amassed by these great industrialists gave their heirs tremendous advantages over any vestiges of competition, so that the little man and the small business were relegated to a distinctly minor role. Today, no young American individualist with any business acumen believes that singlehanded he can set out to build a bigger steel company than United States Steel. The age of really free competition is over.

Even in the days of the great fortune builders, free competition was well regulated among "gentlemen" by various "gentlemen's agreements" which allocated shares of the total market and actually planned production. Even Andrew Carnegie, a star proponent of free competition, frequently joined such agreements though he could not be trusted to keep them for any length of time. The steel business today, say those who attack it, makes careful (but informal) industry-wide plans for production, so that the natural laws of supply and demand in a free market cannot be expected to govern the price of steel. Indeed, to protect enormous investments, the companies can no longer afford the luxury of dependency on the laws of supply and demand.

Another indication of the monopoly tendency of steel is the fact that the steel unions make industry-wide bargains and prefer to let United States Steel set the pattern for the industry. With supply regulated by agreement among the producers, tacit or otherwise, and with wages set throughout the industry, prices naturally can be fixed in the best interests of steel. Here again, although these interests may not, and usually do not, conflict with the interests of the steel workers, they may adversely affect the rest of the American economy. And, incidentally, by raising American prices, they undoubtedly have an adverse effect on European recovery as well.

Since the steel industry already represents a partial monopoly, opponents of nationalization will find it hard to defend the industry on the grounds that private competition is essential to progress in steel. And since the steel industry regulates carefully its wage rates, its supply, and its price structure, a strong argument can be made that the federal government could do the same thing and do it better, from the standpoint of the general welfare. No one pretends for a minute that government ownership would be of equal benefit to the steel company owners or even, in the last analysis, to the steel workers themselves.

Along these same lines, the proponents of nationalization point to the tremendous economic and political power now exercised by the owners of steel companies and by the steel workers. Because the industry is so rich and so powerful it has formed one of the most powerful special interest groups in the country, with a lobby dedicated to promoting its special interests. This argument applies not only to the steel industry but to many other big businesses. It is, of course, true that the steel industry and the powerful steel union influence the course of American politics. This influence working against the general welfare is harmful to democracy and can be eliminated only by nationalization of the steel industry.

Furthermore, there is no economic and certainly no political justification for the enormous profits now being made in steel. Steel happens to be man's most useful metal; it is almost impossible to imagine modern civilization without steel. Because it is vital to our economy and to the American living standard, steel should certainly be manufactured and priced in the best interests of all the American people. Few company owners today can

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claim, as could Carnegie and some of his contemporaries, that they are responsible for the steel age. The men who recognized the value of steel and first produced it in quantity for modern man perhaps deserved the reward of huge fortunes. No such justification exists for those who merely manipulate the price of steel and capitalize on its essential nature.

The above arguments are aimed pointedly at the steel industry in particular. But proponents of nationalization also advance more general arguments for their socialistic program. Basic to the whole argument is the premise that national planning is practicable, and that national planning if given a fair chance will promote the general welfare more effectively than the present, limited competitive system.

This in effect was the philosophy behind the New Deal; this same reasoning governed during the all-out war effort and this same logic lies behind much Fair Deal economic philosophy. Social Security benefits, veterans' aid, price supports, subsidy programs, and other government projects are all part of an administration effort to "cushion" the economy against sudden shock of recession or depression. With the government already shouldering this responsibility, administration experts feel that private industry must continue to expand in order to give total employment and to guarantee prosperity.

Instead of placing their faith in the government's program for the prevention of depression, the steel business worries about how its plants will absorb the inevitable shock when it comes. According to Louis Bean, United States Agriculture Department economist, the annual steel output of the United States should be 100,000,000 tons in order to guarantee full employment. With the steel industry holding back cautiously on expansion plans, administration spokesman have begun to hint at government interference. According to Fair Deal (and New Deal) economists, the caution evidenced by the steel industry creates depressions instead of preventing them.

Here the economists are following in part the familiar doctrine of England's John Maynard Keynes, who advocated government planning and elaborate government spending to ward off depression and to guarantee full employment. Naturally, steel's essential nature puts it squarely in the forefront of projects for government planning. The American public has recently been treated to a preview of what would happen to our economy should the steel industry stop functioning. A strike even of protracted duration could only serve as a preview, however, since American industry was well aware of the essential soundness of the steel industry. But should anything serious go wrong in steel, the economy would suffer severely. That, in effect, was what happened during the war and afterwards, when war-time shortages caused a genuine dislocation of steel supplies, with a consequent prolonged dislocation of the economy as a whole. Government ownership, say the planners, would ensure the economy against serious dislocation as a result of: (1) either poor private planning; or (2) deliberate selfish planning for the good of the industry as opposed to the good of the economy as a whole.

If the case for nationalization of the steel industry seems to be made up of generalizations, it is because fundamentally few Americans could be found to favor such a step at this moment. Although Mr. Truman included a mild threat in his State of the Union message of last year, his general plan was to prod steel industry is not being operated in the of economic action. But the basic arguments in favor of nationalization of steel are clear-cut enough. To sum up the main points: the steel industry is not being operated in the general welfare. True enough, the steel unions and the steel owners seem to have come to an agreement on working conditions and pensions, yet a combination of union and big business is operating to raise prices in defiance of the best interest of the American (and world) economy. Secondly, steel is a semi-monopoly industry anyway, and powerful monopolies are operated most democratically by the federal government for the good of the greatest number. The tremendous pressures which steel owners and steel unions can and do exercise are positive proof that the industry is too strong for private ownership. Profits today in steel are unduly large. Finally, steel is too essential to the economy as a whole to allow it to remain in private hands. Underlying all these arguments, and basic to

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them, is the promise that national planning is practicable and that nationalization of basic industries such as steel will result in a smoother running economy guaranteeing full employment and two chickens in every pot.

Partly because the arguments for nationalization of steel have not really crystallized in this country, the steelmen can offer very convincing arguments of their own against any government intereference with the industry. First of all, they point out, the proposal to nationalize steel, if serious, has no relation at all to the labor union program for the industry. Indeed, union leaders see clearly that their best interests are served by continuing to operate under private industry, under collective bargaining devices.

Secondly, the proposal to nationalize steel because the industry is not expanding enough stems, according to spokesmen for the industry, from a very imperfect concept of the role of steel in the economy.

MARKET

Actually, it is extremely difficult to predict the market for steel, because the demand for steel comes "secondhand." Steel is not just "steel;" endless variety marks the production of man's most versatile metal. Your bedsprings are steel; the frame of your car is steel; steel girders support your office building. And the mills which turn out one of these types of steel, say rails, cannot suddenly shift to production of steel springs.

If the steel companies decide that the market for various types of steel is increasing, they must next face the problem of whether to improve existing facilities or build new ones. In the face of greatly increased building costs, improvement of existing facilities is carefully considered.

Expansion, furthermore, involves provision for increases in the raw material supplies which are basic to steel. For every additional ton of raw steel ingots, more than one and a third tons of iron ore, more than a ton of coal, a third of a ton of limestone and a half a ton of scrap, in addition to other ingredients, are called for.

According to Congressman Brown, a first-hand student of steel expansion, the government experts who believe steel is basic to our prosperity put the cart before the horse. A government economist, writes Mr. Brown:

> Begins by estimating how much steel would be used up in a given year in the future if practically everyone able and willing to work actually did work in that year. Then he says that that much steel should be produced in that year in order that we may have prosperity.
>
> This is like saying that because people eat so much bread and meat when they have regular work, they will have regular work because they eat so much bread and meat. Unfortunately, I have never found life that simple.
>
> What really decides prosperity is whether enough people have enough bread and meat—and steel—and whether they can use it if they buy it. If they can't use it, or don't for any reason wish to use quite that much (perhaps they want more potatoes and a little less bread) they're not going to buy it merely because someone thinks they should.
>
> What [the government economist] says to the steel industry, in effect, is this: "You fellows follow my charts and graphs and everything will come out all right; just don't give it another thought."

It is impossible, according to industry spokesmen, to correlate steel expansion with prosperity, decide on full employment, and let the steel companies do the rest. Expansion is certainly important to the prosperity of the steel industry as well as to the rest of the economy, but not at the rate outlined by some government spokesmen. Government experts tend all too often to use misleading "capacity figures" on steel production. A subcommittee of the Joint Congressional Committee on the Economic Report heard steelmen explain why capacity is a "misleading index." The figure merely stands for what the mills can do under favorable conditions with satisfactory raw materials. This is by no means as important to the ultimate consumer as how much steel the mills make and ship into the market.

Under pressure of World War II, steel capacity was pushed to more than 95 million tons. In 1947 the capacity figure fell to more than 91 million tons; in January, 1948, it climbed only to more than 94 million tons. But the American Iron and Steel Institute has announced the 1949 capacity as more than 96 million tons—a figure which dims the enthusiasm of the "nationalizers."

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Nonetheless, the capacity figure, according to steelmen, is not nearly so important as the production figures. In 1949, for example, the industry produced 88,500,000 tons of raw steel ingots. Of this, roughly one-fourth of each ingot eventually goes on the scrap pile to be reclaimed later. From the 1949 supply of ingots, in other words, the mills made and shipped about 65,900,000 tons of finished steel. Estimates based on expansion now in progress call for the shipment of some 68,000,000 tons of finished steel in 1949 and 70,000,000 tons in 1950. The point government experts forget is that if the consumer wants refrigerators and automobiles, steel finished for steel pipe is no help to him. If he wants to heat his house with oil shipped through steel pipe, an increased supply of refrigerators leaves him "cold" in more ways than one.

So long as production does not reach capacity, it would seem to be borrowing trouble to complain that the steel companies are not expanding fast enough. To meet post-war demands, three gas ranges have been put on the market for every two in a prewar year; three gas heaters for every one; almost twice as many electric refrigerators, three times the number of electric washers, four times as many electric stoves; ten times as many electric heaters and three times the total of vacuum cleaners. Smaller electrical appliances have literally flooded the market in 1949. As the average consumer has learned, the supply of many steel products at last has exceeded demand, with a consequent sharp and protracted drop in prices. With 650,000 workers directly dependent on steel for their jobs, plus the countless thousands in subsidiary industries, steelmen cannot afford to overlook indications of a slackening demand for steel.

It should not be forgotten, also, that expansion of existing facilities—new construction—takes three tons of steel away from the current market to create the facilities for adding ten tons to the supply two or three years from now. With demand dropping, this seems doubly foolish.

Naturally enough, some of the charges levelled at the steel industry are valid. Steelmen did not expand in order to take advantage of low depression prices in the 1930's. Steelmen (and most other businessmen) guessed wrong about the need for expansion before World War II. But neither the philosophy of the New Deal nor the pre-war foreign policy of the United States ran contrary to the actions of the misled steel industry.

There can be no doubt that hundreds of thousands of small firms have been started since 1945, and that steel and steel products were helpful to many of them. But it is only fair in presenting a well-rounded picture to point out that in recent hearings before the Senate Small Business Committee many small businessmen protested against the policies and production tactics of the steel industry, and against the inevitable black market in steel. To many of these men, the average mill price had no significance beside the black market price of steel—about $.20 per pound if and when steel was available. But from the steelmen's viewpoint, the steel scarcity suffered by little business was brought on partly by the astounding growth of hundreds of thousands of small firms, and not by any inherent weakness in the private enterprise system.

Although the western states have been demanding more and more steel, the industry considers that the record shows amazing expansion to date. Between 1938 and 1948, for example, the steel capacity of the four far western states—California, Washington, Oregon, and Utah, increased more than 270 per cent. When present expansion programs have been completed, the West will be able to produce up to three million tons of finished steel annually—three times its pre-war potential. On all counts, according to industry spokesmen, privately owned steel companies have made a fine record in steel production and steel expansion. "The future growth of steel is a matter of legitimate public concern" and the steelmen think that they hold the answer.

The alternative, of course, is nationalization or partial nationalization of the industry. As we said earlier, this proposal is based on the belief that government planning and government control of the American economy would serve the public better than the free enterprise system. Yet read the words of the President's Council of Economic Advisers (December, 1948):

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> It is out of the question to consider the creation of a supreme tribunal to declare economic principles and to apply them to practical problems in the manner the courts declare legal principles and order their application to legal disputes. When the highest court declares a rule of law, it becomes the law; no official pronouncement makes an economic principle true.

What of the argument that steel capacity and steel expansion will singlehanded prevent recession? The Board remarks, in general terms:

> Notwithstanding the great amount of attention given to the influence of capital investment upon economic conditions the Council has not found adequate quantitative analyses that determine a sustainable relationship between the increase in productive capacity and the increase in consumers' markets.

Actually, administration economists claimed that steel output for 1948 would have to reach 100,000,000 tons to hold "full employment;" and although steel production did not reach anywhere near that figure, 1949 was marked by record employment.

Let us suppose, however, for the sake of argument, that government experts decide to enter the fields of steelmaking to compete with private owners. First of all, a completely integrated steel plant with a capacity of two million tons of ingots and an end product, say, of sheet and pipe, would cost about $300 a ton to build—$600,000,000. At three and a half per cent for interest, the interest would amount to $21,000,000 yearly. Payment of the principal (over a 20-year period) would come to $30,000,000 yearly. The grand total would add up to $51,000,000 yearly. Now, if the government were a private industrialist, this price would have to be included in the selling price of the steel; if the mill turned out 1,600,000 tons yearly, the proportionate cost per ton would be $31.88. Mills built when costs were lower are absorbing as part of the selling price a cost of only $5.50 per ton. Naturally, the government would not have to charge enough for the steel to finance construction costs and earn the prevailing industry profit—taxes could be drained instead. Anyone who doubts the figures cited should study the difficulties encountered by Henry Kaiser at his Fontana, California, mill, where he is charging rates far higher than the market price in order to pay for the exorbitant cost of constructing his mill. The taxpayer, or his *alter ego,* the consumer, would have to pay the price differential should the government go into the steel business.

But suppose, for the sake of argument, that the "general welfare" is put above the welfare of poor John Smith, Taxpayer. Could the government operate the steel industry in anyone's interest (except possibly that of a few administrators)? The answer is unquestionably "no." The making of steel, from the time soft coal is mined until you buy your steel-frame electric toaster, is a vastly complicated process. Technical complexities beset steelmen all along the line; marketing difficulties abound; judging future markets in consumer goods (vital to steel production plans) is learned from long practice. We have already shown that economic principles cannot be juggled like court pronouncements. No Supreme Planning Board can decide for once and for all how much steel this country will need or use in a given period of time. "Inexperienced government experimenters" could not long survive the technical complexities of steelmaking and steel planning.

One last argument is in order here. Should national planning be successful, and should the government be able, despite insuperable obstacles, to manfacture steel as efficiently as it is now produced, the freedom of the consumer and of the steel worker would *ipso facto* vanish. Once the planners had decided that the consumer would demand so and so much steel in the next "period", he would have no choice. A certain number of various steel products would be offered for sale and in some manner the consumers would have to be induced (or forced) to purchase them, to ensure profits to the industry. And, naturally, once the planners had set production costs including labor costs, in the industry, the steel worker would have no choice but to work at the wages set. Striking against a government employer has been notoriously unsuccessful. It is likely that the freedom to move from job to job would also be curtailed in the interest of efficient business operation.

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CONGRESS DEBATES:

Social Security

The insistence of the American people on more adequate provisions for security in old age reached new proportions in 1949 when the steel workers went out on strike for non-contributory pensions. On October 5, in the midst of the steel strike, the House of Representatives passed a new, greatly expanded Social Security Bill. The original Social Security Bill had been passed in 1935, and had been little changed since then.

In the 1948 election campaign, each party included a plank in its platform calling for the revision of the 1935 Social Security program, while President Truman asked for speedy action in his State of the Union speech.

During the year, the House Ways and Means Committee spent 28 weeks giving hearings to all interested groups and formulating a bill that would please the majority. The bill, H. R. 6000 came before the House in October and was passed by an overwhelming vote of 333 to 14. The usual threatening coalition of the Republicans and the Southern Democrats dissolved before this question, and only two Democrats deserted their party in the final vote. The bill must still be taken up by the Senate.

FORUM presents below excerpts from the House debate on the new Social Security Bill showing the general agreement on the necessity for a new program and the disagreement which existed only over methods and extent.[1]

* * *

Mr. DOUGHTON, Democrat, North Carolina.

. . . . . .

The Committee on Ways and Means has thoroughly considered all phases of the social security system except unemployment insurance. On February 21, 1949, at the request of the President, I introduced H. R. 2892, relating to public assistance, and H. R. 2893, dealing with old-age, survivors, and disability insurance. These bills provided the basis for consideration and discussion during the two months of hearings that followed in which 2500 pages of testimony were received from more than 250 witnesses. In addition to the views of the Social Security Administration, the Committee has had the advantage of competent testimony from witnesses representing all schools of thought on this very important subject of social security, including employers, employees, and the self-employed, from agriculture, industry, and the professions, as well as state and local officials. The Committee has also had the benefit of a very thorough study prepared by its special staff of experts in 1945, headed by Mr. Leonard Calhoun, as well as the extensive and exhaustive report of the Social Security Advisory Council of the Senate Committee on Finance, which investigated this subject last year. We have had the benefit of all shades of thought on the subject.

After nearly four months of study and discussion of all available information and opinion, the committee, with the assistance of an able technical staff, proceeded to draft its own bill, H. R. 6000, combining its best-considered judgment on both the public-assistance and old-age and survivors insurance programs. Every provision in this bill of 200 pages was agreed upon, if not unanimously, by a majority vote of the committee, and I am pleased to report that the decisions were as free of politics as any legislation I have ever known. Although H. R. 6000 does

[1] *The Congressional Record, House,* Vol. 95, No. 184, pp. 14020-14039.

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not go so far in certain respects as some members of the committee desired, other members felt that some parts of the bill go too far. In my opinion, the lengthy deliberations and discussions have resulted in a bill that is free from extreme either way.

. . . . . .

I shall now try to summarize very briefly some of the principal features of the bill.

First. Extension of coverage: Old-age and survivors insurance coverage would be extended to add approximately 11,000,000 new persons to the 35,000,000 persons now covered during an average week. The groups added to the system under the bill are as follows:

(a) Self-employed: About 4,500,000 nonfarm self-employed persons other than physicians, lawyers, dentists, osteopaths, veterinarians, chiropractors, optometrists, Christian Science practitioners, and aeronautical, chemical, civil, electrical, mechanical, or mining engineers. Self-employed persons whose net earnings from self-employment are less than $400 per year would be excluded. The contribution rate for the self-employed would be 1½ times the rate for employees.

In extending coverage to the self-employed two considerations were kept in mind:

First. The desire of members of a particular business group or profession; and second, the probability of retirement in old age and therefore, need in old age for social-security benefits. Moreover, the inclusion of large groups of people who do not desire social-security coverage would make most difficult the administration of the system.

The proposed revision is not the last word in social-security legislation, and further study can, and should, be given to the problems of coverage of other groups whenever this may be desirable and practicable.

(b) State and local employees: About 3,800,000 employees of state and local governments, if the state enters into a voluntary compact with the Federal Security Agency, provided that such employees who are under an existing retirement system shall be covered only if such employees and adult beneficiaries of the retirement system shall so elect by a two-thirds majority.

(c) Household workers: About 950,000 domestic servants in a private home not on a farm operated for profit, who work at least an average of two days a week for, and earn at least $25 cash per quarter from, any one employer.

(d) Nonprofit institutions: About 600,000 employees of nonprofit institutions other than ministers and members of religious orders, but if the employer does not elect voluntarily to pay the employer's tax, the employee would receive credit with respect to only one-half his wages for the employee's tax which is compulsorily imposed upon him.

(e) Miscellaneous: Smaller groups, including processing workers off the farm, federal employees not under civil service, Americans employed by American firms outside the United States, residents of Puerto Rico and the Virgin Islands, and salesmen and others who technically are not employees at common law, totaling one and one-fourth to one and one-half millions.

Second. Liberalization of benefits: (a) About 2,600,000 persons currently receiving old-age and survivors insurance benefits would have their monthly benefit increased on the average by about 70 percent. Increases would range from 50 percent for highest benefit groups to as much as 150 percent for lowest benefit groups. The present average primary benefit of approximately $26 per month for a retired insured worker would be increased to nearly $45.

(b) Persons who retire in the future would have their benefits computed under a new formula, with resulting benefits approximately double the average benefits payable today. The minimum primary benefit under existing law of $10 per month would be increased to $25. The maximum family benefit under existing law of $85 per month would be increased to $150, but not more than 80 percent of the average monthly wage of the insured person. Lump-sum death payments would be made upon the death of all insured persons. Under present law, lump-sum death benefits are payable only if the deceased insured person does not leave a survivor who could become immediately entitled to benefits.

The following tables taken from the committee report give a comparison of the individual benefit payments under existing law

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and under the provisions of the pending bill.

Table 1 sets forth the amounts of old-age insurance benefits payable to regularly employed workers at various levels of average monthly wage and for various numbers of years of coverage, under the present law and under the bill, without showing supplementary benefits for dependents.

TABLE 1—Illustrative monthly primary amounts
(All figures rounded to nearest dollar)

Monthly wage while working	20 possible years of coverage		10 possible years of coverage		40 possible years of coverage	
	Present law	H. R. 6000	Present law	H. R. 6000	Present law	H. R. 6000
	Covered in all possible years					
$50	$22	$26	$24	$28	$28	$30
$100	28	52	30	55	35	60
$150	33	58	36	60	42	66
$200	38	63	42	66	49	72
$250	44	68	48	72	56	78
$300	(1)	74	(1)	77	(1)	84
	Covered in half of possible years					
$50	$10	$25	$11	$25	$12	$25
$100	21	26	22	28	24	30
$150	24	29	25	30	27	33
$200	26	32	28	33	30	36
$250	29	34	30	36	33	39
$300	(1)	37	(1)	38	(1)	42

TABLE 2—Illustrative monthly benefits for retired workers
(All figures rounded to nearest dollar)

Average monthly wage	Present law		H. R. 6000	
	Single	Married[1]	Single	Married[1]
	Insured worker covered for 5 years			
$50	$21	$32	$26	$38
$100	26	39	51	77
$150	32	47	56	85
$200	37	55	62	92
$250	42	63	67	100
$300	(2)	(2)	72	108
	Insured worker covered for 10 years			
$50	$22	$33	$26	$39
$100	28	41	52	79
$150	33	50	58	87
$200	38	58	63	94
$250	44	66	68	102
$300	(2)	(2)	74	110
	Insured worker covered for 20 years			
$50	$24	$36	$28	$40
$100	30	45	55	80
$150	36	54	60	91
$200	42	63	66	99
$250	48	72	72	107
$300	(2)	(2)	77	116
	Insured worker covered for 40 years			
$50	$28	$40	$30	$40
$100	35	52	60	80
$150	42	63	66	99
$200	49	74	72	108
$250	56	84	78	117
$300	(2)	(2)	84	126

[1] With wife 65 or over.
[2] Present law includes wages only up to $250 per month.
NOTE.—These figures are based on the assumption that the insured worker was in covered employment steadily each year after 1949 (or after 1936 as the case may be).

TABLE 3.—Illustrative monthly benefits for survivors of insured workers.
(All figures rounded to nearest dollar)

Average monthly wage	Aged widow[1]		Aged parent[2] or 1 child alone		Widow and 1 child		Widow and 2 children		Widow and 3 children	
	Present law	H. R. 6000	Present law	H. R. 6000	Present law	H. R. 6000	Present law	H. R. 6000	Present law	H. R. 6000
	Insured worker covered for 5 years									
$50	$16	$19	$10	$19	$26	$38	$37	$40	$40	$40
$100	20	38	13	38	33	77	46	80	52	80
$150	24	42	16	42	39	85	55	113	63	120
$200	28	46	18	46	46	92	64	123	74	150
$250	32	50	21	50	52	100	74	133	84	150
$300	(2)	54	(2)	54	(2)	108	(2)	144	(2)	150
	Insured worker covered for 10 years									
$50	$16	$20	$11	$20	$28	$39	$38	$40	$40	$40
$100	21	39	14	39	34	79	48	80	55	80
$150	25	43	16	43	41	87	58	116	66	120
$200	29	47	19	47	48	94	67	126	77	150
$250	33	51	22	51	55	102	77	137	85	150
$300	(2)	55	(2)	55	(2)	110	(2)	147	(2)	150
	Insured worker covered for 20 years									
$50	$18	$21	$12	$21	$30	$40	$40	$40	$40	$40
$100	22	41	15	41	38	80	52	80	60	80
$150	27	45	18	45	45	91	63	120	72	120
$200	32	50	21	50	52	99	74	132	84	150
$250	36	54	24	54	60	107	84	143	85	150
$300	(2)	58	(2)	58	(2)	116	(2)	150	(2)	150
	Insured worker covered for 40 years									
$50	$21	$22	$14	$22	$35	$40	$40	$40	$40	$40
$100	26	45	18	45	44	80	61	80	70	80
$150	32	50	21	50	52	99	74	120	84	120
$200	37	54	24	54	61	108	85	144	85	150
$250	42	58	28	58	70	117	85	150	85	150
$300	(2)	63	(2)	63	(2)	126	(2)	150	(2)	150

[1] Age 65 or over.
[2] Present law includes wages only up to $250 per month.
NOTE.—These figures are based on the assumption that the insured worker was in covered employment steadily each year after 1949 (or after 1936 as the case may be).

The increase in benefit amounts for persons now on the rolls will be accomplished by the use of a table included in the bill. A summary of this table is presented in table 4.

TABLE 4.—Summary of conversion table for computing new benefits for those now on the roll.
(All figures rounded to nearest dollar)

Present primary insurance benefit	New primary insurance amount	Maximum family benefits payable
$10	$25	$40
15	31	50
20	36	58
25	44	78
30	51	113
35	55	145
40	60	150
45	64	150

EXAMPLES

1. Retired worker now receiving $25 per month will receive $44 after effective date. Supplementary benefits for his eligible benefits or survivors cannot exceed $78.

2. Widow age 65 or over now receiving $30 per month (based on three-fourths of deceased husband's primary benefit of $40) will receive $45 after effective date (three-fourths of $60).

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Third. Limitation on earnings of beneficiaries: The amount a beneficiary may earn after retirement in covered employment without loss of benefits would be increased from $14.99 to $50 per month. After age 75, benefits are payable regardless of amount of earnings from employment.

DISABILITY

First. Coverage: All persons covered by the old-age and survivors insurance program would be protected against the hazard of enforced retirement and loss of earnings caused by permanent and total disability.

Second. Benefits: Permanently and totally disabled workers would have their benefits and average wage computed on the same basis as for old-age benefits, but no payments would be available for dependents of disabled workers.

Third. Eligibility for benefits: An individual would be insured for disability benefits if he had both (a) 6 quarters of coverage out of the 13-quarter period ending when his disability occurred, and (b) 20 quarters of coverage out of the 40-quarter period ending when his disability occurred.

World War II veterans would be given wage credits under the old-age, survivors, and disability insurance program of $160 per month for the time spent in military service between September 16, 1940, and July 24, 1947.

Last but not least, I should like to deal with taxes for the old-age and survivors insurance system since it is an essential feature of social insurance that there should not only be benefit rights but also contribution obligations. The insurance tax has been frozen at 1 per cent on both employee and employer for 13 years, 1937 to 1949. Under present law and under the bill, this rate would rise to 1-1/2 per cent in 1950. It is an essential sound matter of financing that the contribution rate should rise steadily over the future because the benefit disbursements will of a certainty rise for perhaps the next 40 or 50 years. In all its considerations, the Committee on Ways and Means was firm in its conviction that this system should be soundly financed so that the benefits promised could be paid.

Under present law, the 1-1/2 per cent tax rate would be effective for 2 years and thereafter the rate would be 2 per cent. The committee was of the opinion that such a low tax schedule could not support adequate benefits.

Further the committee concluded that this system should be on a sound actuarial basis and should be completely self-supporting from the contributions of the participating persons and their employers. Accordingly, the bill provides that the tax rate on employers and employees should be increased to 2 per cent in 1951 and then 2½ per cent in 1960, 3 per cent in 1965, and 3¼ per cent in 1970. These contribution rates will result in the building up of a fairly sizable trust fund, which will be invested in that soundest investment of all—United States government securities. In answer to the critics of this method of investing the trust fund moneys, I might point out that government bonds are purchased by banks, insurance companies, and individuals when they want to invest surplus funds in the soundest investment in the world. The investments of the trust fund will earn interest just as any other government bonds, which will help to finance the large benefit disbursements. The bill would repeal the provision in present law authorizing appropriations to the trust fund from general revenues. Before reaching this conclusion, the committee satisfied itself not only that the tax schedule would provide sufficient funds to finance the system but also ascertained that workers insured under the system would receive protection valued in excess of their individual contributions.

Thus far I have discussed the insurance provisions of the bill. The provisions in the bill relating to the state-federal public-assistance programs are also of great importance to those persons who are unable, for one reason or another, to be eligible for insurance benefits. While the old-age, survivors, and disability insurance program that I have outlined will decrease the need for public assistance in the future, we should not forget the needy aged, the blind, the permanently and totally disabled, and the dependent children who do not have social insurance protection. Accordingly, the bill would strengthen and improve the public-assistance programs for these needy individuals, as follows:

First. Extension of state-federal public assistance programs: Aid would be extended

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to the following persons not now eligible for assistance:

(a) Permanently and totally disabled needy persons. The federal government would share in the costs in the same manner as for old-age assistance and aid to the blind.

(b) The mother, or other adult relative with whom an eligible dependent child is living. The federal government would share in the costs of the aid furnished such mother or relative.

Second. Increase in federal share of public assistance costs: The bill would strengthen financing of public assistance in all states, and, particularly, would enable the low-income states to raise the level of payments to needy recipients under the state-federal program. Federal funds would be made available to the states under the following matching formula:

(a) For old-age assistance, aid to the blind and aid to the totally and permanently disabled: Federal funds will equal four-fifths of the first $25 per recipient plus one-half of the next $10 plus one-third of the next $15 with a maximum of $50 on individual assistance payments.

(b) For aid to dependent children: Federal funds will equal four-fifths of the first $15 per recipient—including one adult in each family—plus one-third of the next $6, plus one-third of the remainder, with maximums on individual assistance payments of $27 for the adult plus $27 for the first child plus $18 for each additional child in the family.

Third. Public medical institutions: The federal government would share in the costs incurred by the states and localities in furnishing assistance to the needy aged, blind, and permanently and totally disabled recipients in public medical institutions, instead of limiting federal participation to costs incurred for recipients residing in private institutions as provided in present law.

Fourth. Direct payment for medical care: States would be authorized to make direct payments to doctors or others furnishing medical care to recipients of state-federal public assistance.

Under existing law the federal government does not participate in the cost of medical care for recipients unless payment for such care is made directly to the recipient.

Fifth. Child welfare services: Authorization for child welfare services would be increased from $3,500,000 per year to $7,000,000, for service in rural areas or areas of special need. The use of child welfare funds would be authorized for purposes of returning interstate runaway children to their homes.

Sixth. Puerto Rico and the Virgin Islands: The four categories of public assistance would be extended to Puerto Rico and the Virgin Islands, but the federal share of assistance payments would be limited to 50 per cent. The maximum federal payment would be $15 for a recipient of old-age assistance, aid to the blind, or aid to the permanently and totally disabled, and $9 for the first child and $6 for each additional child in an aid to dependent children family.

Seventh. Cost: The over-all estimated additional cost to the federal government for the public assistance and welfare services amendments would be $256,000,000 annually.

Mr. MURRAY, Republican, Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from Wisconsin.

Mr. MURRAY of Wisconsin. I would like to ask what, exactly, is the status of an employee? For example, there are several paper mills in my district, and in my state, and in reading over this bill I wonder where the operators of the paper mills' responsibility begins and where it ends. There is considerable pulp cut by contractors. Who would be responsible for keeping track of that particular situation?

INTERPRETATION

Mr. DOUGHTON. Of course, that was one of the most controversial problems that we had to deal with. We had before us the Treasury officials, representatives of the Social Security Administration, and heard testimony from the taxpayers. We heard all shades of thought on that subject. If the Treasury administers the law as it says it will, there will be no trouble about who is covered. As to exactly who will be covered and who will not be covered, I do not believe you could write that into statutory law. There must be some discretion, as you know, if this law is to be administered according to the intent of the

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Congress. The benefits of any law depend upon its administration. You might take the Ten Commandments to administer, but if they are not understood and not lived up to, what would be the result? We have to leave it to those who administer this law, and give them some discretion as to who is covered as an employee and who is not. In the same way, we have to leave it to the local welfare boards to determine who is in need; we have to leave it to the doctors to say who is permanently and totally disabled.

Mr. LYNCH, Democrat, New York. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from New York.

Mr. LYNCH. I think the answer to the gentleman's question is this, that if the subcontractor is in reality a real contractor, if he has money invested in his equipment, if he does not do any work personally, if he has employees, he does not come in under this bill as an employee but would probably come in under the provision of self-employed. I do not know whether that answers the question precisely.

Mr. MURRAY of Wisconsin. I want to get the facts in the case. If we pass a bill we ought to know what we are passing.

Mr. DOUGHTON. I agree with the gentleman.

Mr. MURRAY of Wisconsin. Here is a company, regardless whether it is a paper mill or any other company, but it has subcontractors and it contracts with these men for so much pulp, we will say. Does the corporation assume the responsibility, keep track of the social-security numbers and payments for instance or does the subcontractor have that responsibility?

. . . . . .

Mr. LYNCH. I think the answer is simply this, that if the subcontractor, for instance, is a corporation and that corporation employs loggers, there is no question as to who pays the social-security tax. The corporation pays and the individual pays insofar as social security is concerned. When the gentleman said a subcontractor, I assumed he meant an individual. If the individual to whom he refers does all the work himself, then he ordinarily would be considered in the capacity of an employee of whoever it was that engaged him. If, on the other hand, the subcontractor has money invested and there are tools and equipment so that in truth and in fact it might be said in your own mind that he is the real employer, then he is an employer insofar as he pays, say 1 per cent social security as an employer and 1 per cent is deducted from the wages of his employees. If he is an individual, then he himself under this bill may be included as one who is self-employed and pays 1-1/2 per cent, approximately, for his social-security insurance. Does that answer the gentleman's question?

. . . . . .

Mr. MURRAY of Wisconsin.

. . . . . .

How about the farmers, then? They do not come under it at all?

Mr. DOUGHTON. Whenever a majority of them signify their desire to be covered, I think it would be appropriate to cover them. So far we have had no evidence that a majority of them have such a desire. There is little interest or enthusiasm among the farm organizations about it.

. . . . . .

Mr. DAVENPORT, Democrat, Pennsylvania. I would like to ask this question, because I have been asked it so many times back home. We have thousands and thousands of insurance agents in Pittsburgh and outside salesmen engaged in the wholesale trade. How does this bill affect them?

Mr. DOUGHTON. I yield to the gentleman from Arkansas [Mr. MILLS]. He is a lawyer and he knows more about the legal technicalities of the bill than I do.

Mr. MILLS, Democrat, Arkansas. It is quite difficult as the distinguished chairman of our committee knows, to answer a question such as the gentleman from Pittsburgh puts with a straight yes or no. The definition of the term "employee" will take in under social security as employees some 500,000 or 750,000 people who would not be employees under the strict technical terms of a common-law definition. It is the purpose of the committee as I understand to take in these outside salesmen for wholesale companies on a commission basis as employees and to take in these life-insurance salesmen that he has referred to on the

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basis of being employees. To say that everyone in that occupation in Pittsburgh would come in as an employee, no one could do. It will depend largely upon the actual facts of the relationship, rather than the technical, legal definition of the common-law rule.

. . . . . .

Mr. CURTIS, Republican, Nebraska.

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The program makes grandiose promises for the future. Even with its coverage excluding certain occupations, as under the reported bill, the great majority of the aged population of a half century from now will be eligible for the program's benefits, since most of the young men starting out to work now or in recent years will have full opportunity to get the required calendar quarters in covered employment at some time during their working lifetime. Most of today's young women either will similarly succeed in getting these calendar quarters or will be married to men who so succeed, so that they, too, will qualify for benefits either in their own right or on behalf of their husbands.

But what of today's older population? Of the 5,200,000 men now aged 65 and over, only one-third are insured under the program; and of the 5,500,000 women of these ages, only one-fourth are either insured themselves or are the wives or widows of insured men. This is because only those who are still fortunate enough to have remained at work for much of the time since the program actually started in 1937 could obtain the calendar quarters of employment needed to be insured today. Many of the men over 65 today were already too old to be at work back in 1937, or were already disabled or unemployed. Many of the women are wives or widows of men who had already left work by 1937; in fact, many of today's widows had already become widows by that date or before 1940 and so could not qualify for benefits.

True, the Social Security Act includes a program of old-age assistance said to be designed for the benefit of those who were too old to qualify under the insurance program. But old people do not want the stigma of receiving assistance benefits which are based on a needs test. They want automatic benefits, even though modest in amount, that they can call their own. The old-age assistance programs, even when conscientiously administered, have proved shamefully dishonest in their results. Some old people of the most deserving type have remained in need rather than go on assistance. Other old people have become a burden upon their conscientious but poor children. Those who get assistance benefits have, in some cases, concealed their assets in order to qualify for the benefits; on the other hand, hundreds of thousands of even more deserving people have declined to do this and at the same time have suffered harsh deprivations. Other deserving individuals without assets of any kind have finally had to apply for this assistance, but it has broken their spirit.

INEQUITIES

The men now aged 65 or over who are eligible come, by and large, from the more well-to-do portion of the aged population, since these men either have worked recently or are still working. If we were to remove from consideration the more opulent one-third of the older male population and concern ourselves only with the poorer two-thirds who might be said to be in the economic levels of qualifying for public assistance in the more liberal assistance states, we would find that probably only about one-fifth of this poorer group have qualified for benefits under the insurance program. This indicates the degree to which the insurance program has failed to take care of those older persons for whom its benefits should be primarily available.

It is said that the extension of coverage, as provided in the bill reported by the committee, will tend to remedy this situation. The majority of those of today's old people who are ineligible for insurance benefits are no longer regularly employed, so that the mere extension of coverage to those occupations not now covered cannot help them. Such extension of coverage may make it even more probable for future generations of old people to become insured, but it cannot take today's old people off public-assistance rolls or help those old people who are now in distressing circumstances because they cannot get insurance benefits and refuse to apply for public assistance.

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What is needed is an extension of automatic benefits—that is, benefits available without a needs test—to the millions of old people who could not qualify under a wage-record insurance program and yet who, over their past working lifetime, have worked just as faithfully as the more fortunate few who now qualify. No other way can possibly provide these deserved benefits.

There are those who frown upon the idea of paying every citizen an old-age benefit. These critics should examine the present program. Under this program, we are now paying a privileged few, some of whom are independently wealthy, amounts that are many, many times more than what they have paid in. Under our old-age assistance program, which is part of social security, one state has now on the assistance rolls 8 out of every 10 of its inhabitants over 65 years of age. Every taxpayer in the country is helping to carry these loads.

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Social-security funds are necessarily limited in amount, since they depend upon the amount of economic productivity in the nation and the possibility of drawing off a portion of this productivity for social-security purposes that is not too large to injure the nation's economic health. Because of this limitation, it is of the utmost importance that these funds be distributed wisely.

But the insurance program fails to make this wise distribution because it is tied down by the concept that benefit amounts should vary directly with the worker's wage level. This concept of the higher the wage, the higher the benefit has generally been rationalized on the ground that a greater wage loss is suffered when a higher paid worker dies or retires than when a lower paid worker does. But I feel that this concept results in a maldistribution of social-insurance funds and ignores the important fact that the higher paid worker should be expected to accumulate far greater resources than the lower paid with which to supplement his social-insurance benefit. In fact, this concept is so inconsistent with the social-insurance objective set forth above, that the reverse concept of the lower the wage, the higher the benefit would be more nearly correct.

It is my belief that benefits should be uniform in amount and independent of previous wage history. A system providing uniform benefits would recognize the fact that since the amounts available for social security are necessarily limited in total, it is far better to divide up these amounts without discrimination than to pinch one man's benefit in order to deal more generously with another man.

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A claim which has been made for the variable benefit concept is that under it are reflected geographic differences in living costs. This claim can hardly be taken seriously since benefit variations within almost any fair-size town will be much greater than variations in benefit averages as between different towns or different parts of the country. It has been well established that variations in average expenditures between one locality and another reflect variations in living standards much more than they do variations in living costs. And to the extent that an individual's need for a higher benefit is due to a genuine local variation in living cost, it is the function of his own community or state, whose increased living cost is matched by increased fiscal capacity, to make up that benefit differential to him by means of state-financed, public assistance, and not the function of the nation-wide social-security program.

The benefit differential cannot be justified on the ground of individual equity. Primary insurance benefits which would be awarded in 1950 under the bill proposed here by the majority, for a worker who has been steadily employed at an average of $250 a month, are $16 a month greater than the benefits for a worker steadily employed at $100 a month. Yet, less than $2.47 differential in primary benefit amounts can be justified actuarially by the higher contributions of the $250-a-month man. In other words, the higher-paid man has paid for $2.47 more in benefits but receives $16 more in benefits. This small actuarially justified differential is due in part to the newness of the program, for, at present, contributions pay only a small part of the benefit costs. But it is doubtful whether, even in the long run and under the higher contribution rates of the committee bill, the differ-

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ential in employee contributions will ever justify the differential in benefits between the lower-paid and the higher-paid worker. While it is true that the higher-paid worker derives a benefit which is lower relative to his previous earnings than that of the lower-paid worker, and also that the higher-paid worker pays a larger relative share of the cost of his benefits than does the lower-paid worker, the important fact is that the higher-paid worker derives a greater dollar profit than the lower-paid worker.

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COST

The fact that the cost of the program will so greatly increase over future years, or rather that the number of beneficiaries is so small now as compared to future years, is unfortunate in a number of respects. It signifies the fact, as indicated at the beginning of this report, that the program is not doing its job now and will not be for some decades to come. But it also means, I am convinced, that no suitable method of financing can be found. To adopt a method requiring contributions of the level actuarial type would be a political impossibility, and even if it could be achieved it would have the adverse effect that in the early years of the program much more would be taken out of the nation's economy than would be put back into it in the form of benefits. On the other hand, not to require level actuarial contributions would mean, as is now the case, that—even with respect to the youngest workers—benefit costs would be underfunded and the public would have no real appreciation of the true costs of the program.

Another objection to a program in which the number of beneficiaries is much smaller in the early years than in the later years is that, regardless of what financing method is adopted, there will be an uncontrollable tendency toward undue liberalization of individual benefit amounts. With only relatively few beneficiaries on the rolls now and in the immediate future, it is only too simple a matter to propose that individual benefit rates be approximately doubled; that primary benefit amounts in excess of $100 a month be promised, as well as combined husband-and-wife amounts of $150 a month. With only a relatively small number of present beneficiaries and with present benefit disbursements far below contribution receipts, the ability to fulfill these promises over the next few years seems to be all that matters, and the tremendous future cost, which will result when there is a much larger number of persons for whom we have made commitment of these benefit amounts, is too easily ignored.

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Under extension of coverage, the administrative effort required in employment-tax enforcement will be greatly increased, and the percentage increase in administrative costs will be much greater than the percentage increase in the number of persons covered. The definition of the term "employee," which proved so difficult for the committee, and the definitions of "covered wages" and "self-employment income," likewise difficult, are problems which are not necesary if we follow a system that is not based upon wage records.

On the other hand, financing old-age and survivors insurance benefits by an income tax method, without wage records, would not only eliminate the above costs but would add practically no cost to the present expense of collecting income taxes.

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MR. ANGELL, Republican, Oregon. Mr. Chairman, as one of the authors of the Townsend legislation in the House, H. R. 2136, I deeply regret that the Rules Committee saw fit to present this legislation, H. R. 6000, under a so-called closed or gag rule. This procedure will compel the House to swallow the bill as is without amendment.

The bill does help the insured and disabled but it does not offer any substantial relief to the aged citizens of America who have not been able or who will not be able to qualify as a covered employee under the social-security program except those in a few favored states. Even with the amendments proposed in H. R. 6000 millions of our elderly citizens are without the mantle of protection under this law. Under the philosophy of the present social-security law it was believed that as time passed it would cover most of our elderly citizens needing aid. However, the law has been in effect over 10 years and experience

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under it shows that this philosophy was false and that the breach is widening between those covered and those not covered by the law, the majority being left without its protection. In October of last year the number granted cash on the basis of need was 2,469,372 as against only 1,016,303 retired workers receiving old-age insurance.

It is significant that the fact-finding board appointed by the President recently to consider the wage dispute between the United States Steel Corp. and its workers reported as follows:

"The concept of providing social insurance and pensions for workers in industry has become an accepted part of modern American thinking. Unless government provides such insurance in adequate amount, industry should step in to fill the gap.

"Government * * * has failed to provide social insurance for industrial workers generally, and has supplied old-age-retirement benefits in amounts which are not adequate to provide an American minimum standard of living."

This is in line with the findings of many commissions and social-security experts who have considered the problem of social security not only for workers, but for the aged, handicapped, and disabled. Ex-President Hoover, Chairman of the Commission for the Organization of the Executive Department, in considering this important problem in a letter to the gentleman from North Carolina, Chairman DOUGHTON, of the Ways and Means Committee, under date of April 6, 1949, said:

"I wish to say at once that I strongly favor government provision for protection of the aged and their dependents.

"The problem before the nation is to obtain a workable system, with a minimum of administrative cost, a minimum of bureaucracy, adjusted to the economic strength of the country which gives an assurance of security to this group. In my view, we have not yet found that system.

"I should like to make two general observations:

"1. There is an illusion about the whole federal old-age and survivors insurance. Because the taxes on pay rolls are paid into a trust fund and paid out without appropriation by Congress, there is an idea that these are neither taxes nor federal expenditures. They are just as much a burden upon our national economy as any other tax or any other government expenditure. Also, payroll taxes, however justifiable, are, like all other taxes, a burden on the standard of living of the whole nation. A considerable part of the pay-roll taxes paid by employers in the long run is passed to the people as a whole in prices, and a considerable part of the taxes paid by wage earners is passed on by demands for increased wages.

"2. The old-age problem has been thrust upon the federal government largely by the great increase in longevity. Its dimensions are indicated by the fact that there will be by 1950 about 11,000,000 persons over 65 years of age. They will increase in numbers absolutely and relatively, both with the increase in population and with the constantly advancing protections to health."

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The United States is a nation with only one-sixteenth of the earth's population and only six percent of the world's area, but it produces nearly seven-sixteenths of the world's goods. Our people own 46 percent of the world's electric power, 48 percent of its radios, 54 percent of the telephones, 59 percent of its steel capacity, 60 percent of its life insurance, 85 percent of its automobiles, with the most schools, the most churches, and the best health record. Yet we refuse to provide meager subsistence for millions of our aged in need.

In the Eighty-first Congress, several bills identical in language, propose the Townsend plan. They are H. R. 2135, BLATNIK; H. R. 2136, ANGELL; H. R. 2677, WITHROW; H. R. 2743, VAN ZANDT; H. R. 2792, PETERSON.

This is a self-financing noncontributory retirement system under which beneficiaries will receive annuities as a matter of right without reference to need or prior contributions. It is nation-wide and covers all citizens 60 years of age or over. It is a pay-as-you-go-system. Annuities will be paid currently out of currently raised revenues. Sums received by annuitants must be spent within 30 days.

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The existing system of old-age and survivors insurance and old-age assistance is abolished, together with the pay-roll tax for financing old-age and survivors' insurance.

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It is not possible to estimate definitely the per capita annuity that would be available under the Townsend proposal should it be enacted. Its virtue is its elasticity, the monthly payments keeping pace with the purchasing power of the dollar. The tax formula could be changed by the Congress from time to time to meet the existing needs. Since the amount of the monthly payments for the beneficiaries depends upon the tax collected and the number of eligible citizens who apply for the annuities, it is not possible to determine with any degree of accuracy what these payments would be without knowing the national gross income and the number of recipients. However, amounts payable under the Townsend plan will be found by subtracting administrative costs from tax receipts and dividing by number of beneficiaries. Proponents of the plan have variously estimated the benefits that would be payable monthly.

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Under the Townsend plan, each installment of the annuity received must be spent within the United States by the end of 30 days after its receipt. The proceeds from the sale of real property acquired through the use of money received as an annuity must be spent within six months. The purpose of this is to keep the money in circulation, stimulate the economy, and stabilize production. There is no comparable provision applicable to payments under O.A.S.I. or public assistance.

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MR. MASON, Republican, Illinois.

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Mr. Chairman, the premium you pay for your old-age security insurance—the dollars taken out of your pay envelope each month —goes into the Federal Treasury and is spent for the general running expenses of the government. Into the old-age security insurance reserve fund—in lieu of the cash collected—are placed government bonds from which future old-age security insurance benefits are to be paid. But government bonds only represent an obligation on the part of the federal government to pay out at some future time an equivalent number of dollars. And where will these dollars come from to pay this obligation or debt? From future taxation. There is no other source. Therefore, you are taxed to pay for your old-age security insurance during the time you work, and then when you retire at 65 years of age your children must pay new taxes to redeem the bonds to furnish the cash that the old-age security insurance hands out to you in the form of benefits. It is a fraudulent system, a "phony" system.

To illustrate: John Smith decides to operate his own security program and puts into his safety-deposit box a certain amount each week out of his wages as a fund to provide an annuity in his old age. After John has accumulated, let us say, $5,000 in his safety-deposit box he finds he needs money for other expenses, so he takes cash out of the box and replaces it with I O U's to himself. If he keeps on using cash out of his fund he will eventually have in his box $5,000 worth of I O U's signed by John Smith and payable to John Smith. This is exactly the kind of reserve fund Uncle Sam has set up as a social-security fund, and Uncle Sam must levy a second tax to pay future benefits.

The federal government wound up June 30, 1949, $1,500,000,000 in the red. Congress turned down President Truman's request for higher income taxes. Increasing the old-age security insurance taxes will bring in extra billions for current expenses. So, since President Truman cannot "soak" the rich to balance the budget he proposes to "soak" the poor to balance the budget through increased old-age security insurance taxes. Has the federal government either the responsibility or the right under our form of government to force its citizens to buy "phony" old-age insurance?

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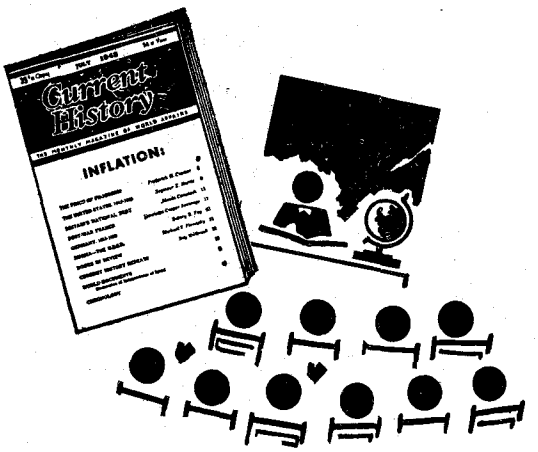

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